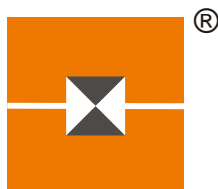


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Kaisa Prosperity Holdings Limited

佳兆業美好集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2168)

AUDITED ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

ANNUAL RESULTS HIGHLIGHTS

- Total revenue for the year ended 31 December 2025 decreased by approximately 7.1% to approximately RMB1,611.6 million from approximately RMB1,735.4 million for the year ended 31 December 2024.
- Gross profit for the year ended 31 December 2025 decreased by approximately RMB68.8 million to approximately RMB375.7 million from approximately RMB444.5 million for the year ended 31 December 2024.
- Profit for the year ended 31 December 2025 decreased by approximately RMB1.7 million to approximately RMB23.9 million from approximately RMB25.6 million for the year ended 31 December 2024.
- Profit attributable to owners of the Company for the year ended 31 December 2025 decreased by approximately RMB1.4 million to approximately RMB13.2 million from approximately RMB14.6 million for the year ended 31 December 2024.
- As at 31 December 2025, the total contracted GFA and the total GFA under management amounted to approximately 124.8 million sq.m. and 99.1 million sq.m. respectively, representing a decrease of approximately 3.3% and a decrease of approximately 3.5%, respectively, as compared to approximately 129.1 million sq.m. and 102.7 million sq.m. as at 31 December 2024 respectively.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company announces the audited annual consolidated financial results of the Group for the year ended 31 December 2025 (the “**Reporting Period**”), together with the comparative figures for the year ended 31 December 2024.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	<i>Notes</i>	2025	2024
		RMB'000	RMB'000
Revenue	5	1,611,558	1,735,427
Direct operating expenses		<u>(1,235,876)</u>	<u>(1,290,941)</u>
Gross profit		375,682	444,486
Other income, gains and losses, net	6	(14,456)	(7,022)
Selling and marketing expenses		(10,420)	(10,854)
Administrative expenses		(158,653)	(171,250)
Impairment of financial assets and contract assets	8	<u>(114,100)</u>	<u>(116,649)</u>
Operating profit		78,053	138,711
Change in fair value on financial assets at fair value through profit or loss		(56,170)	(89,825)
Impairment loss on goodwill		–	(24,378)
Share of results of associates		11,217	16,573
Finance costs	7	<u>(135)</u>	<u>(326)</u>
Profit before income tax	8	32,965	40,755
Income tax expense	9	<u>(9,019)</u>	<u>(15,192)</u>
Profit and total comprehensive income for the year		<u>23,946</u>	<u>25,563</u>
Profit and total comprehensive income attributable to:			
Owners of the Company		13,198	14,576
Non-controlling interests		<u>10,748</u>	<u>10,987</u>
		<u>23,946</u>	<u>25,563</u>
Earnings per share attributable to owners of the Company (expressed in RMB per share)			
Basic and diluted	10	<u>0.09</u>	<u>0.09</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	2025 RMB'000	2024 RMB'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		16,135	19,464
Right-of-use assets	<i>12</i>	159,603	164,031
Investments in associates		49,476	42,597
Intangible assets		14,995	20,482
Goodwill	<i>13</i>	136,450	136,450
Financial assets	<i>14</i>	38,311	94,481
Other receivables	<i>15</i>	4,611	3,649
Deferred tax assets		404,052	361,484
		823,633	842,638
Current assets			
Trade receivables	<i>15</i>	477,566	455,570
Other receivables	<i>15</i>	84,796	84,164
Payments on behalf of residents		168,612	135,873
Contract assets		43,844	54,835
Amounts due from related parties		12,597	8,562
Restricted cash		9,497	7,062
Cash and cash equivalents		214,069	243,300
		1,010,981	989,366
Current liabilities			
Trade payables	<i>16</i>	228,642	206,574
Other payables	<i>16</i>	317,396	329,500
Contract liabilities		218,768	233,890
Amounts due to related parties		9,209	2,620
Lease liabilities		1,763	3,149
Income tax payable		80,060	86,598
		855,838	862,331

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
Net current assets		155,143	127,035
Total assets less current liabilities		978,776	969,673
Non-current liabilities			
Other payables	<i>16</i>	7,624	4,433
Lease liabilities		563	1,080
Deferred tax liabilities		7,424	9,020
		15,611	14,533
Net assets		963,165	955,140
EQUITY			
Share capital		1,361	1,361
Reserves		883,817	872,684
Equity attributable to owners of the Company		885,178	874,045
Non-controlling interests		77,987	81,095
Total equity		963,165	955,140

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. CORPORATE INFORMATION

Kaisa Prosperity Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 13 October 2017 as an exempted company with limited liability under the Companies Law.

The Company’s immediate holding company is Ye Chang Investment Company Limited (“**Ye Chang Investment**”), an investment company incorporated in the British Virgin Islands (“**BVI**”), whereas the directors of the Company consider that Kaisa Group Holdings Ltd. (“**Kaisa Holdings**”) as the Company’s ultimate holding company, a company incorporated in the Cayman Islands with its shares listed on the Main Board of the Stock Exchange.

The Company acts as an investment holding company. The Company and its subsidiaries (together, the “**Group**”) engage in the provision of property management services, which includes management of properties, maintenance and repair of buildings and ancillary facilities, community security management, car-park management, equipment installation, and property consulting services.

All values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

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 for the translation of the Chinese names of these companies to English names as they do not have official English names.

2. APPLICATION OF NEW AND AMENDMENT TO HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRS ACCOUNTING STANDARDS**”)

Amendment to HKFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendment 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 Group’s 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 amendment to an HKFRS Accounting Standard in the current year had no material impact on the Group’s consolidated financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

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:

Amendment 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
Amendment 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 of the Company 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 Presentation and Disclosure in Financial Statements (“**HKFRS 18**”), which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements* (“**HKAS 1**”). 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 *Financial Instruments: Disclosures*. 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.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and the applicable disclosure requirements of the Hong Kong Companies Ordinance.

The directors of the Company have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

The consolidated financial statements have been prepared on the historical cost except for certain financial instruments that are measured at fair value. The measurement bases are fully described in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with HKFRS 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial instruments which are transacted at fair value and a valuation technique that unobservable inputs are to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equal the transaction price.

In addition, for financial reporting purpose, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

4. SEGMENT INFORMATION

(a) Operating segment information

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

The Group is mainly engaged in the provision of property management services, value-added services to property owners and value-added services to non-property owners (e.g. property developers) in the PRC. Management reviews the operating results of the business as one operating segment to make decisions about resources allocations. Therefore, the CODM of the Company regards that there is only one segment which is used to make strategic decisions. Accordingly, no operating segment information regarding the Group’s revenue, reported results, total assets and total liabilities was presented.

(b) Geographical segment information

The major operating entities of the Group are domiciled in the PRC. Accordingly, all the Group’s revenue were derived in the PRC for the years ended 31 December 2025 and 31 December 2024.

As at 31 December 2025 and 31 December 2024, all of the non-current assets were located in the PRC.

(c) Information about major customers

For the year ended 31 December 2025, no single customer contributed 10% or more of the Group’s revenue.

For the year ended 31 December 2024, revenue from Kaisa Holdings and its subsidiaries (the “**Kaisa Group**”) and its associates and joint ventures contributed 11% of the Group’s revenue. Other than the transactions with Kaisa Group and its associates and joint ventures, the Group had a large number of customers and none of whom contributed 10% or more of the Group’s revenue for the year ended 31 December 2024.

5. REVENUE

Revenue represents the amount received and receivable for goods sold and services provided by the Group to outside customers, less discounts, returns and value added tax or other sales taxes.

Revenue mainly comprises of:

- (a) Property management services – provision of property management services to property projects mainly located in Guangdong, Hong Kong, Macau Bay Area, Yangtze River Delta, Bohai Economic Rim, Western China and Central China.
- (b) Value-added services to property owners – provision of community added services to property owners.

- (c) Value-added services to non-property owners – services including: (i) provision of pre-delivery services, such as construction sites management services and display units and property sales venues management services; (ii) consulting services to other property management companies; and (iii) smart solution services.

Disaggregation of revenue from contracts with customers

- (i) The Group derives revenue from the transfer of goods and services by categorise of major product lines and business.

	2025		2024	
	Revenue	Direct operating expenses	Revenue	Direct operating expenses
	RMB'000	RMB'000	RMB'000	RMB'000
<i>Revenue from contracts with customers</i>				
Property management services	1,374,876	1,102,787	1,389,375	1,091,244
Value-added services to property owners	150,760	58,906	162,139	61,899
Value-added services to non-property owners*	85,922	74,183	183,913	137,798
	<u>1,611,558</u>	<u>1,235,876</u>	<u>1,735,427</u>	<u>1,290,941</u>

* The amounts include pre-delivery and consulting services and smart solution services.

- (ii) The Group derives revenue from the transfer of goods and services by timing of revenue recognition

	2025	2024
	RMB'000	RMB'000
<i>Revenue from contracts with customers</i>		
– Over time	1,593,455	1,708,096
– At a point in time	18,103	27,331
	<u>1,611,558</u>	<u>1,735,427</u>

- (iii) The Group derives revenue from the transfer of goods and services by geographical markets

Information about the Group derives revenue from the transfer of goods and services by geographical markets is set out in note 4(b).

6. OTHER INCOME, GAINS AND LOSSES, NET

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Unconditional government subsidy income	4,074	4,299
(Losses)/Gains on disposals of property, plant and equipment	(82)	68
Written off of trade and other receivables and payment on behalf of residents	(16,780)	(10,239)
Exchange gains and losses, net	(23)	(35)
Others	(1,645)	(1,115)
	<u>(14,456)</u>	<u>(7,022)</u>

7. FINANCE COSTS

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Interest expense of lease liabilities	<u>135</u>	<u>326</u>

8. PROFIT BEFORE INCOME TAX

Profit before income tax has been arrived at after charging (crediting):

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Staff cost, including directors' remuneration		
Wages, salaries and other benefits	635,700	709,649
– Equity-settled share-based payment expenses	–	–
– Performance bonus	–	–
– Contributions to defined contribution retirement schemes	77,808	81,513
	<u>713,508</u>	<u>791,162</u>
Amount charged to:		
– Direct operating expenses	599,647	658,716
– Administrative expenses	113,861	132,446
	<u>713,508</u>	<u>791,162</u>
Amortisation and depreciation on:		
– Property, plant and equipment	4,712	7,359
– Right-of-use assets	17,070	18,340
– Intangible assets	5,487	5,487
	<u>27,269</u>	<u>31,186</u>
Provision (Reversal) on impairment of financial assets and contract assets comprises:		
– Trade receivables	97,672	94,897
– Other receivables	4,746	2,458
– Payments on behalf of residents	19,872	14,787
– Contract assets	(8,190)	4,507
	<u>114,100</u>	<u>116,649</u>
Others:		
Auditor's remunerations	1,200	1,500
Direct operating expenses	1,235,876	1,290,941
Short-term leases with lease term less than 12 months	20,132	14,182
Gain on termination of leases	(58)	(1,196)
Change in fair value on financial assets at fair value through profit or loss	56,170	89,825
	<u>56,170</u>	<u>89,825</u>

9. INCOME TAX EXPENSE

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current income tax		
– PRC Enterprise Income Tax	52,958	68,183
Deferred tax	<u>(43,939)</u>	<u>(52,991)</u>
	<u>9,019</u>	<u>15,192</u>

10. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit for the year attributable to owners of the Company	<u>13,198</u>	<u>14,576</u>

Number of shares

	2025 <i>(number of shares '000)</i>	2024 <i>(number of shares '000)</i>
Weighted average number of ordinary shares in issue during the year	<u>154,110</u>	<u>154,110</u>

The diluted earnings per share for the years ended 31 December 2025 and 31 December 2024 does not assume the exercise of the Company's share options because the exercise price of those share options was higher than the average market price for shares. Therefore, the diluted earnings per share is the same as basic earnings per share for the years ended 31 December 2025 and 31 December 2024.

11. DIVIDEND

No dividends were paid, declared or proposed for the years ended 31 December 2025 and 2024, nor has any dividend been proposed since the end of the reporting periods.

12. RIGHT-OF-USE ASSETS

	Leased assets for owners- occupied purpose <i>RMB'000</i>	Leased assets for provision of properties management services <i>RMB'000</i>	Total <i>RMB'000</i>
As at 1 January 2024	10,707	173,334	184,041
Additions	4,589	–	4,589
Termination of leases	(6,259)	–	(6,259)
Depreciation	(5,006)	(13,334)	(18,340)
	<u>4,031</u>	<u>160,000</u>	<u>164,031</u>
As at 31 December 2024 and 1 January 2025	4,031	160,000	164,031
Additions	2,374	11,409	13,783
Termination of leases	(1,141)	–	(1,141)
Depreciation	(3,028)	(14,042)	(17,070)
	<u>2,236</u>	<u>157,367</u>	<u>159,603</u>
As at 31 December 2025	2,236	157,367	159,603

13. GOODWILL

The Group's goodwill is mainly attributable to the following CGUs which are mainly engaged in providing property management services:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Goodwill attributable to the following CGUs:		
– Jiaxing Dashu Property Management Company Limited and its subsidiary	18,980	18,980
– Jiangsu Hengyuan Property Management Company Limited and its subsidiaries	23,864	23,864
– Ningbo Langtong Property Service Company Limited and its subsidiary	–	–
– Zhejiang Ruiyuan Property Management Co., Ltd. and its subsidiary	93,606	93,606
	<u>136,450</u>	<u>136,450</u>

14. FINANCIAL ASSETS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Financial assets at fair value through other comprehensive income		
– Interest in unlisted entity	–	–
Financial assets at fair value through profit or loss		
– Contractual rights on Properties	38,311	94,481
	<u>38,311</u>	<u>94,481</u>

15. TRADE AND OTHER RECEIVABLES

	<i>Notes</i>	2025 RMB'000	2024 RMB'000
Trade receivables	<i>(a)</i>		
– Third parties		597,517	527,222
– Related parties		966,009	916,636
		<u>1,563,526</u>	<u>1,443,858</u>
Less: Allowances		<u>(1,085,960)</u>	<u>(988,288)</u>
		<u>477,566</u>	<u>455,570</u>
Other receivables			
Other deposits		19,276	21,793
Prepayments		21,855	23,578
Payments on behalf of staff		13,995	15,654
Payments on behalf of residents under lump-sum basis		26,786	27,225
Others		22,423	9,745
		<u>104,335</u>	<u>97,995</u>
Less: Allowances	<i>(b)</i>	<u>(14,928)</u>	<u>(10,182)</u>
Total other receivables		<u>89,407</u>	<u>87,813</u>
Analysed as:			
– Current		84,796	84,164
– Non-current		4,611	3,649
		<u>89,407</u>	<u>87,813</u>

Notes:

(a) Trade receivables

Trade receivables from property management services are trade receivables due for payment upon the issuance of demand notes. Value-added services to non-property owners are receivable in accordance with the terms of the relevant service agreements, and the Group normally allows an average credit period ranged from 0 days to 90 days to its customers.

The ageing analysis of the trade receivables before loss allowances as at 31 December 2025 and 31 December 2024 based on the invoice date is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within 180 days	265,293	355,078
181–365 days	163,682	157,247
1–2 years	274,898	444,603
2–3 years	393,075	218,876
Over 3 years	466,578	268,054
	<u>1,563,526</u>	<u>1,443,858</u>

The movements in the impairment of trade receivables are as follows:

	Third parties	Related parties	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2024	56,426	836,965	893,391
Recognised during the year	<u>40,433</u>	<u>54,464</u>	<u>94,897</u>
As at 31 December 2024 and 1 January 2025	96,859	891,429	988,288
Recognised during the year	<u>42,436</u>	<u>55,236</u>	<u>97,672</u>
As at 31 December 2025	<u>139,295</u>	<u>946,665</u>	<u>1,085,960</u>

(b) Other receivables

The movements in the impairment of other receivables are as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Other receivables		
As at 1 January	10,182	7,724
Recognised during the year	<u>4,746</u>	<u>2,458</u>
As at 31 December	<u>14,928</u>	<u>10,182</u>

(c) Others

All of the Group's trade and other receivables as at 31 December 2025 are denominated in RMB (2024: all RMB).

16. TRADE AND OTHER PAYABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables		
– Third parties	223,975	201,604
– Related parties	4,667	4,970
	<u>228,642</u>	<u>206,574</u>
Other payables		
Consideration payables for acquisition of subsidiaries	5,400	5,400
Accrued staff costs	87,384	86,040
Other tax payables	2,109	7,550
Deposits received	89,566	86,802
Receipt on behalf of residents	104,304	120,244
Others payables and accruals	36,257	27,897
	<u>325,020</u>	<u>333,933</u>
Total other payables	<u>325,020</u>	<u>333,933</u>
Analysed as:		
– Current	317,396	329,500
– Non-current	7,624	4,433
	<u>325,020</u>	<u>333,933</u>

Included in trade payables were amounts due to the Group's suppliers. The outstanding balances were trading in nature and credit periods ranging from 30–180 days were granted. Based on the invoice dates, the ageing analysis of the trade payables As at 31 December 2025 and 31 December 2024 are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 90 days	100,277	101,798
91–180 days	40,953	41,644
181–270 days	21,601	18,502
271–365 days	15,726	13,506
Over 365 days	50,085	31,124
	<u>228,642</u>	<u>206,574</u>

17. LEASE COMMITMENTS

The Group as lessee

At the reporting date, the lease commitments for short-term leases are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within one year	3,312	3,507

As at 31 December 2025 and 31 December 2024, the Group leases staff quarters and offices with a lease period of one to twelve months.

As at 31 December 2025, the Group had committed to leases for staff quarters and offices in which the leases had not yet commenced. The total future cash outflows for these leases amounting to nil (2024: nil) in aggregate which are included in the table above.

The Group as lessor

As at 31 December 2025 and 31 December 2024, the Group had future aggregate minimum lease receipts under non-cancellable operating leases in respect of buildings as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within one year	399	1,442
In the second to fifth years	112	1,652
	511	3,094

The lease run for an initial period of one to five years, with an option to renew the lease and renegotiate the terms at the expiry date or at dates mutually agreed between the Group and respective tenants. None of the leases include contingent rentals.

CHAIRMAN’S STATEMENT

BUSINESS REVIEW AND PROSPECTS

In 2025, China’s economy achieved steady progress amid complex domestic and international environments, with the high-quality development strategy being advanced in a solid manner, successfully concluding the “14th Five-Year” Plan. The nation’s Gross Domestic Product exceeded RMB140 trillion for the first time, demonstrating remarkable growth resilience. At the macro level, the optimization and upgrading of industrial structure yielded outstanding results, with new quality productive forces being accelerated and digital technology deeply integrated with the real economy to drive the vigorous development of emerging industries. The demand structure continued to optimize, with the consumer market steadily recovering and foreign trade structure upgrading. Trade cooperation with “the Belt and Road” partner countries was deepened, enhancing the quality and efficiency of economic operations and laying a solid foundation for the transformation of the real estate and property management industry.

As an important component of the national economy, China’s real estate market entered a critical period of transition from old to new models in 2025, focusing on stemming the downturn and restoring stability and achieving high-quality development, moving away from the extensive path characterized by high leverage and high turnover. On the policy front, continuous positive signals were released through a combination of measures including interest rate cuts, increased lending, tax reductions, and fee cuts to benefit home-buyers. Meanwhile, city-specific policies were implemented to reduce restrictive measures, granting local governments autonomy in regulation to help unleash rigid and improvement-oriented housing demand. On the supply side, efforts focused on revitalizing existing inventory and optimizing structure, allowing local governments to purchase existing commercial housing for affordable housing purposes. Urban village and dilapidated housing renovation projects were advanced, with monetized resettlement facilitating the clearing of housing inventory. The “Ensuring Housing Delivery” campaign was further intensified, with the financing coordination mechanism expanded and enhanced, and ensuring project delivery through loans to whitelisted projects. The industry accelerated its transformation toward a new model – taking “quality housing” construction as the starting point, improving standards to promote green and smart housing development, reforming fundamental systems for commercial housing development, financing, and sales, and establishing demand-driven supply mechanisms to drive the real estate industry back to its essence of livelihood security and achieve stable and healthy development.

In 2025, China’s property management industry completed a fundamental shift in its development logic, moving away from the scale-driven expansion model fueled by the real estate boom and formally entering a new stage of high-quality development centered on refined operations and value-driven services. For the first time, the industry was elevated to the strategic level of the National Five-Year Plan. Relevant policies explicitly called for the development of “quality housing” that is safe, comfortable, green, and smart, the implementation of initiatives to enhance property service quality, and the establishment of a full-lifecycle safety management system for buildings. This series of measures signifies a qualitative leap in the role and positioning of property services – evolving from a derivative segment of real estate and a service provider for daily community affairs into a key component of the national medium- and long-term strategy, integral to people’s well-being and the effectiveness of urban governance.

In the same year, national strategic documents further clarified the need to explore a multi-stakeholder coordination and operation mechanism under the leadership of community Party organizations, fully integrating property management into the grassroots social governance system. This shift transitions community governance from a confrontational approach to a collaborative one, highlighting the dual requirement that “quality property management must excel not only in service but also in governance.” The Ministry of Housing and Urban-Rural Development has implemented multiple measures to improve property service quality, emphasizing the integrated deployment of the “Four Goods” initiative alongside related actions and systems. Local governments have concurrently introduced specialized plans, focusing on establishing a new pattern of property services characterized by value-for-money pricing, transparency, and joint construction and shared governance. Through measures such as guidance through Party building, information disclosure, and credit-based supervision, these efforts aim to address industry pain points and enhance resident satisfaction. Meanwhile, policies have promoted the inclusion of property services within the consumer service sector, encouraging deep integration with people’s livelihood services such as elderly care and childcare. This fosters the creation of a diversified “property services + daily life services” ecosystem, providing strong support for the industry to expand into incremental markets and innovate business models. Ultimately, this contributes to a positive synergy with the transformation of the real estate sector and high-quality economic development.

As one of the leading national comprehensive urban service providers, Kaisa Prosperity has consistently upheld “Prosperity is underway” (美好正在發生) as its service philosophy, integrating its pursuit of quality throughout the entire property management process and leveraging intelligent technologies to scientifically and effectively refine every aspect of property management. To ensure sustainable and steady long-term operations, we have established the quality policy of “Ultimate Sincerity, Rigorous Standards, Pragmatic Efficiency, as well as Continuous Improvement” (至臻至誠，嚴謹規範，務實高效，持續改進) to continuously improve the quality of our services, which has gained the trust and recognition of our customers, and our brand influence continues to rise. We are committed to becoming a benchmark enterprise in smart property services.

In 2025, facing the complex and challenging macroeconomic situation, Kaisa Prosperity maintained a stable management scale through a dual-engine strategy of “Organic growth + Independent expansion”, with GFA under management reaching approximately 99.07 million square meters, comprising 718 projects, and establishing a presence in 78 cities across 20 provinces.

Through unremitting efforts, the Group was awarded as “2025 Top 17 Property Service Enterprise by Service Capability”, “2025 China Leading Enterprise in Property Service Quality”, “2025 China Leading Enterprise in Property Service Satisfaction”, “2025 China Leading Enterprise in ESG Sustainable Development for Property Services”, “2025 China Quality Property Service Enterprise System”, and “2025 China Property Service Enterprise with Brand Characteristics.”

Facing the changing economic environment and the new development landscape of the property management industry, we are fully prepared to continue upholding our development vision of “Serving Beautiful China”, embracing future opportunities and challenges.

FINANCIAL SUMMARY

For the year ended 31 December 2025, the Group’s revenue decreased by approximately RMB123.8 million to RMB1,611.6 million, representing an decrease of approximately 7.1% as compared with that of the corresponding period in 2024. In particular, revenue from property management service amounted to RMB1,374.9 million, revenue from value-added services to property owners amounted to RMB150.8 million, and revenue from value-added services to non-property owners amounted to RMB85.9 million.

For the year ended 31 December 2025, the Group’s gross profit decreased by approximately 15.5% to approximately RMB375.7 million from approximately RMB444.5 million for the year ended 31 December 2024.

For the year ended 31 December 2025, the Group’s profit decreased by approximately 6.6% to approximately RMB23.9 million from approximately RMB25.6 million for the year ended 31 December 2024.

For the year ended 31 December 2025, the Company’s profit attributable to owners of the Company decreased by approximately 9.6% to approximately RMB13.2 million from approximately RMB14.6 million for the year ended 31 December 2024.

POLICY DRIVEN: REDEFINING THE ESSENCE OF “GOOD HOUSES” THROUGH “GOOD SERVICE”

Kaisa Prosperity transforms the macro-requirements of the national “Four Goods” initiative into micro-practices of corporate development, establishing a strategic path of “innovation-driven development”. We are committed to breaking the limitations of traditional property services confined to basic maintenance. By constructing an “all-encompassing service ecosystem”, we extend the reach of services to every dimension of property owners’ lives. From the maintenance of physical facilities to soft service enhancement, and from simple community management to the creation of diverse lifestyle experiences, Kaisa Prosperity is redefining the service standards of the property industry. We are dedicated to ensuring that “Good Houses” offer more than just the cold structures of steel and concrete – we infuse them with the human touch of our services, steadfastly promoting the philosophy of pairing “Good Houses” with “Good Services.”

ENRICHMENT OF SERVICE PORTFOLIOS AND CONSOLIDATION OF FOUNDATIONAL SERVICES

During the Reporting Period, the Group continued to focus on the “Whole portfolio and Whole cycle” (全業態、全周期) high-quality service scenarios, deepening our specialized service capabilities vertically and expanding our service boundaries horizontally. While continuously enriching our property portfolios, we made new upgrades and released new service systems such as the “Kaisa Prosperity Service Five-star ‘1+3+5’, Ten Scenarios, Three Windows Standardization Manual” (《佳服五星“1+3+5”、十大場景、三個窗口標準化手冊》). Our property service portfolios covered 9 property types, namely residential properties, commercial properties, office buildings, cultural and sports venues, schools, high-end sales centers, hospitals, urban public buildings and cultural tourism facilities.

EMPOWERING WITH TECHNOLOGY TO PROMOTE THE CONSTRUCTION OF SMART PROPERTY SERVICES

The Group vigorously promoted technological and digital transformation to build a smart community system. In the era of existing property inventory, “service efficiency” and “management precision” have become the core competitiveness of property management enterprises. Anchored by its self-developed “K-Service” platform, Kaisa Prosperity deeply integrated Artificial Intelligence (AI) and Internet of Things (IoT) technologies. This system employs AI assistants for demand forecasting and intelligent scheduling systems to optimize resource allocation, realizing full-lifecycle digital management of community facilities and equipment. In essence, this technological innovation serves as a powerful catalyst for service efficiency.

In specific application scenarios, Kaisa Prosperity has pioneered the deployment of cleaning robots in commercial and office properties across Huizhou, Shenyang, and Guangzhou, effectively addressing long-standing cleaning challenges in hard-to-reach areas such as super high-rise office buildings, underground garages, and building curtain walls, significantly improving manual cleaning efficiency. Leveraging advanced technologies such as the “Eagle Eye” system, AI-powered video intelligent identification and warning, and the “seamless access system”, Kaisa Prosperity created a multi-dimensional smart security system of “proactive warning, real-time response, and retrospective tracing”, realizing a fundamental shift from traditional “passive defense” to “active warning”, significantly improving community safety levels and management efficiency, and building a safer and smarter protective shield for property owners.

CONSTRUCTION OF BUTLER SYSTEM: MEETING CUSTOMER NEEDS THROUGH CONTINUOUS SERVICE QUALITY IMPROVEMENT

To strengthen the organizational construction of the butler service function and ensure orderly, efficient, and sustainable daily operations, the Group has established a standardized management framework. This framework leverages the core role of butlers as the liaison for customer service, providing strong support for the sustainable development of projects. The Group has issued comprehensive guidelines for the butler service system, covering training, star-rating certification, organizational construction, data operations, and “Wutong Growth (梧桐成長)”, which is a training and development program. Furthermore, we have established the “Wutong Academy (梧桐學院)” lecturer team, centering around “Wutong Shanyao (梧桐閃耀)” (star-rating certification), “Wutong Heming (梧桐和鳴)” (organizational construction), and “Wutong Jiuzhang (梧桐九章)” (data operations) to enhance butlers’ professional skills and service standards.

“PROSPERITY FUN” COMMUNITY CULTURE: EMPOWERING BUSINESS AND ENHANCING WARMTH

This year, the Group focused heavily on the “elderly and the young” by organizing all-age activities to enhance interaction and strengthen the “Jia Xiao FUN” (佳小FUN) IP application and service ecosystem. We hosted 2,061 events and 1,096 convenience service sessions, serving a cumulative total of 1.866 million people, and selected 12 quarterly highlight activities to ensure that diverse service scenarios truly empower a happy community life. Kaisa Prosperity also upgraded standardized manuals across 9 major business formats, including the Kaisa Prosperity Five-Star. Through the “Prosperity FUN” community cultural activities (averaging 14+ sessions annually), the Company integrated the warmth of service into the daily lives of property owners, truly realizing a smart community that is “perceptible and warm. Under the annual theme of “Prosperity FUN” (美好FUN), we provided comprehensive community cultural services across all life cycles, scenarios, and age groups. Leveraging the four major service systems of FUN Life, FUN Neighborhood, FUN Charity, FUN Sharing (樂活FUN, 樂鄰FUN, 樂善FUN, 樂享FUN), we organized “1+4” types community cultural activities such as “Kaisa’s Neighbors” (佳鄰•佳親). We anchored our initiatives around festival cycles, focusing on four key groups: children, seniors, youth, and pets, executing over 14 community cultural activities under the “12+2+X” framework. To drive core business objectives, we prioritized initiatives to facilitate property management fee collection, diversify revenue streams, and elevate customer satisfaction. We launched Jiamenkou (佳門口) convenience services to integrate convenience services into daily routines of property owners. In addition, through the Firefly (螢火蟲) Public Welfare Program and Shared Space Governance initiatives, we cultivated a culture DNA of environmental protection, joint contribution, and shared governance.

FOUNDATIONAL SERVICE QUALITY AND SERVICE EXPERIENCE

The Group adopted “Strengthening Foundation, Reducing Cost and Increasing Revenue” as the main operational principles to maintain service quality, strictly control risks and bring new experience. The Group launched special campaigns such as “Jiarun Campaign” (佳潤行動) and “Jiafen Campaign” (佳分行動) to improve its customer services, alongside a series of quality enhancing campaigns, such as “Spring Breeze in Kaisa 3.0” (春風沐佳3.0), “Construction with Sincerity 3.0” (精誠築佳3.0), “Rejuvenating with Quality” (品質煥新) and “the Most Beautiful Garden” (最美園林) for projects under management. These campaigns centered on the pedestrian and vehicular circulation routes, enhancing landscaping, renovating, repairing and upgrading equipment and facilities of the community, conducting comprehensive “health checks” on older communities built over 10 years ago, and reviewing and refining key customer-facing roles and corresponding service standards, so as to continuously improve the living environment and customer experience.

To build a safe and secure community, Kaisa Prosperity launched safety-focused campaigns such as “100 Days of Safety” (百日安全), “No Accident in Summer Production” (夏季安全生產無事故) and “Constant Vigilance in Fire Safety” (消防警鐘長鳴). Through specialized training and emergency drills, we effectively improved employees’ fire safety skills and risk response capabilities, while boosting fire safety awareness and emergency preparedness of property owners and residents through safety awareness campaigns. We continuously conducted “anti-riot patrols”, deploying three security personnel equipped with tactical anti-riot gear to critical locations during peak hours. Our technology-empowered “Eagle Eye System” enables service personnel to realize real-time on-site connection through the mobile phones at any time. To ensure nighttime safety, we established city patrol teams, equipped with electric security vehicles, shoulder flashlights, reflective vests for patrolling, to safeguard the safety of property owners and residents.

In respect of technology operations, we continued to iterate and optimize the “K-Service Technological Product Operation and Control” platform, enriching the functions of the elevator management module, realizing the “three-in-one” closed-loop management of elevators covering equipment logs, maintenance and repair, and enhancing the safety standards of elevator operation. We also optimized daily quality inspections and enhanced inspection efficiency to help improve service quality.

ENERGY CONSERVATION, EMISSION REDUCTION, COST REDUCTION AND EFFICIENCY ENHANCEMENT

In respect of energy conservation and emission reduction, in 2025, Kaisa Prosperity continued to implement the system and standards including the Guidelines on Management and Control of Energy Saving (《能源節能管控操作指引》) and the Assessment Method for Control of Energy Consumption (《能耗管控情況考核辦法》). By adopting a multi-pronged approach underpinning “management + technology + policy” as well as Energy Performance Contracting and diversified cooperation, the Group utilized energy-saving renovation technologies such as elevator kinetic energy recovery, public area lighting, domestic water pumps, central air-conditioning AI algorithm self-control and atomized micro-spray for landscape irrigation and refined daily green operation management, achieving cost reduction and efficiency enhancement.

TRANSFORMATION FROM SPACE OPERATOR TO PREMIUM COMMUNITY LIFESTYLE SERVICE PROVIDER

The Group’s “K-Life” service focuses on transforming into a PREMIUM COMMUNITY LIFESTYLE service provider as its core positioning. Adhering to the development philosophy of “convenience, diversification, and high quality”, it focuses on the full-lifecycle needs of residents. Through business synergy, model innovation, and resource integration, it builds an ecosystem covering the full chain of life services, continuously improving service penetration rates and user stickiness.

In 2025, the Group advanced the digital coding management of commercial spaces and established a standardized system for operations and performance appraisal system. We deepened supply chain integration and introduced high-quality suppliers to create a business model of “Group-buying Mini Programs + Community-based Front Warehouses + Social Commerce Operations”, while conducting bestseller marketing and high-frequency service pilots. Through diversified models of full-time, cross-functional roles, and external cooperation, we optimized the layout of rental and sales business, and synchronously launched the home decoration business through “Group-level Suppliers + localized Merchant Onboarding”. We also established wellness and senior care clubs to integrate resources and build a closed-loop marketing system driven by existing customer referrals.

In 2026, the Group will initiate multi-dimensional business upgrades. We will revitalize idle resources to bolster self-operated advertising capabilities and deepen the strategy of “Company-wide Distribution + localized Merchant Onboarding” and the creation of “One City, One Signature Product”. We will advance the home decoration business by establishing offline stores in key cities and increasing the coverage of rental and sales business. We plan to launch “Scenario-based Packages + Annual Memberships” and integrate the “3+X” modular service portfolio. We will also introduce professional wellness and senior care institutions and in-home housekeeping service businesses, rolling out wellness and senior care services regionally via a commission-based or cost-based sales model.

The “K-Life” service of Kaisa Prosperity will continue to deepen its presence in the community ecosystem. Adopting a customer-centric approach, we will deepen service synergy and model innovation, while continuously optimizing the service chain and enhance service. We are dedicated to providing community residents with a more convenient, diverse, and premium living experience, striving to establish ourselves as a benchmark brand in community lifestyle services.

NEIGHBORLY CLOSENESS IN COMMUNITY, PET CARE WITH PEACE OF MIND

In 2025, the Group established the Pet Business Department and launched “Guanguan Pets”, a pet business brand. Leveraging the innate trust and seamless reach between the property management company and property owners, we precisely addressed the pain points faced by pet-owning families regarding pet care during business trips and holidays. By supplementing community convenience scenarios with in-home pet feeding, we not only expanded business boundaries and unlocked new value, but also deepened community service stickiness, building a diversified ecosystem for community living.

Adhering firmly to a strategy of “core focus and deep market penetration” “Guanguan Pets” has built its foundation on in-home pet feeding. By embedding ourselves within residential community scenarios and achieving online-to-offline (O2O) integration, we have completed the closed-loop validation of our business model from 0 to 1, accumulating valuable user trust, operational data, and team experience. The core business has achieved remarkable results, covering multiple major cities and numerous core communities across China. Serving a large number of pet-owning families, it has won high market recognition demonstrated by high repurchase rates and industry-leading satisfaction ratings by virtue of its high-quality professional services. Relying on property community scenarios, “Guanguan Pets” has constructed four key competitive moats: (1) “Zero-distance” access to residents, allowing for low-cost traffic conversion; (2) A foundation of innate trust that accelerates customer loyalty; (3) High-efficiency response to ensure a hassle-free experience; and (4) Our property service staff who provide unique emotional value, adding a distinct layer of warmth and care to our services.

Looking ahead, we will initiate a strategic upgrade to evolve from a single in-home service model to an integrated “Store+” community business format. We plan to establish branded flagship stores in core communities, offering diverse services that include pet grooming and beauty, boutique retail, worry-free boarding, and recreational swimming, thereby constructing a closed-loop ‘In-Home + In-Store’ ecosystem. Through consistent brand identity, standardized service, and a high-quality experience, we aim to reinforce our brand positioning as the “Neighborhood’s Trusted Partner for Pet Lifestyle”.

OUTLOOK

The year 2026 marks the beginning of the 15th Five-Year Plan. As the new journey of Chinese modernization continues to accelerate, the property management industry is poised to enter a more advanced stage of high-quality development. Kaisa Prosperity will closely align with the national strategic direction of high-quality development and the enhancement of public well-being. By conducting in-depth research into industry trends, we aim to further leverage smart technologies to reduce costs and increase efficiency, while solidifying our foundation through refined operations and attentive, convenient services. Furthermore, we will actively participate in community collaborative governance and fulfill our responsibilities through distinctive service offerings. We are committed to strengthening internal management and talent development, ensuring prudent growth, and strictly controlling risks. These efforts are designed to ensure a strong and successful start to the “15th Five-Year Plan” of the Group, laying a solid foundation for high-quality development.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

As one of the leading comprehensive property management service providers in China, the Group specializes in providing comprehensive urban integrated services to mid- to high-end properties and focuses on the metropolitan cluster regions that are supported by the national macro-strategic policies and have high economic development vitality. The Group has been providing property management services for 26 years since 1999, and since then has established a strong footprint in the Guangdong-Hong Kong-Macau Bay Area, Yangtze River Delta, Bohai Economic Rim, Western and Central China with enormous potential for economic growth, covering a wide range of properties and providing property owners and residents with tailored quality services through the one-stop service platform to enhance their quality of life and satisfaction.

The Group's three main business lines, namely, property management services, value-added services to property owners and value-added services to non-property owners, form an integrated service spectrum encompassing the upstream and downstream segments and covering the entire value chain of property management.

PROPERTY MANAGEMENT SERVICES

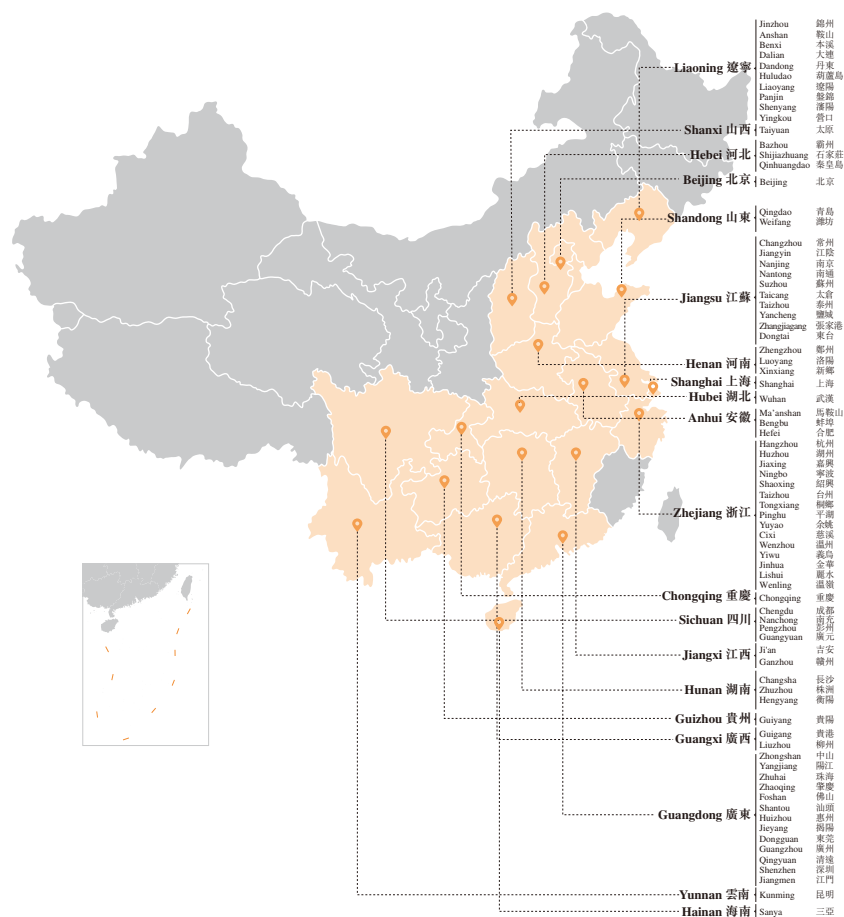
As of 31 December 2025, the Group's property management services covered 78 cities across 20 provinces, municipalities and autonomous regions in China, with a total GFA under management reaching 99.1 million sq.m. and a total of 718 managed properties projects, comprising 344 residential communities and 374 non-residential properties, showing a diversified property portfolio. We focused on public urban services and moved towards holistic management services.

The table below sets forth (i) the contracted GFA, (ii) the GFA under management, and (iii) the number of managed property projects, as of the dates indicated:

	As of 31 December	
	2025	2024
Contracted GFA ('000 sq.m.)	124,821	129,067
GFA under management ('000 sq.m.)	99,068	102,697
Number of managed property projects	718	728

Geographic Coverage

The map below illustrates the geographic coverage of our managed properties as of 31 December 2025:



The table below sets forth the breakdowns of (i) the total GFA under management, and (ii) the number of managed property projects by geographic region as of the dates indicated:

	As of 31 December			
	2025		2024	
	GFA under management ('000 sq.m.)	Number of projects	GFA under management ('000 sq.m.)	Number of projects
Guangdong-Hong Kong-Macau Bay Area	22,859	142	22,810	138
Yangtze River Delta	54,341	459	58,542	481
Bohai Economic Rim	5,598	39	5,522	38
Western China	9,711	48	9,526	42
Central China	6,559	30	6,297	29
Total	99,068	718	102,697	728

The Group continued to expand its business through organic growth and independent third party market development.

Set out below are the changes in (i) the total GFA under management and (ii) the number of managed property projects as of the indicated date:

	2025		2024	
	GFA under management (<i>'000 sq.m.</i>)	Number of projects	GFA under management (<i>'000 sq.m.</i>)	Number of projects
As of 1 January	102,697	728	102,294	720
New engagement	3,009	68	8,466	104
Termination	(6,638)	(78)	(8,063)	(96)
As of 31 December	99,068	718	102,697	728

Types of Properties Managed

The Group managed a diversified portfolio of properties covering mid-to-high-end residential communities and non-residential properties, including commercial properties, office buildings, hospitals, schools, banks, arenas and stadiums, government buildings, public facilities and industrial parks and culture and tourism facilities etc.. Starting from Guangxi, Yancheng, Yangzhou and Jiaxing, we expanded the cooperation with government platforms and our urban services business. Regarding the property management services, the Group adopted two revenue models under which property management fees are charged on either a lump-sum basis or commission basis. For lump-sum basis, the Group recorded all the fees as revenue and all the expenses incurred in connection with providing the property management services as cost of services. For commission basis, the Group essentially acted as the agent of the property owners and therefore records only a pre-determined percentage of the property management fees or cost of services as set out in the property management service contracts as revenue. By adopting these two revenue models, the Group managed to cover the expenses incurred in connection with providing property management services.

The table below sets forth the breakdown of (i) the property management services revenue, (ii) the total GFA under management, and (iii) the number of managed property projects by type of properties for the years/as of the dates indicated:

	Year ended/as of 31 December									
	2025					2024				
	Revenue (RMB'000)	GFA under management %	(<i>'000 sq.m.</i>)	%	Number of projects	Revenue (RMB'000)	GFA under management %	(<i>'000 sq.m.</i>)	%	Number of projects
Residential communities	777,946	56.6	61,494	62.1	344	784,727	56.5	61,644	60.0	339
Non-residential properties	596,930	43.4	37,574	37.9	374	604,648	43.5	41,053	40.0	389
Total	1,374,876	100.0	99,068	100.0	718	1,389,375	100.0	102,697	100.0	728

The table below sets forth the breakdown of (i) the property management services revenue, (ii) the total GFA under management, and (iii) the number of managed property projects by revenue model for the years/as of the dates indicated:

	Year ended/as of 31 December									
	2025					2024				
	Revenue (RMB'000)	GFA under management %	(<i>'000 sq.m.</i>)	%	Number of projects	Revenue (RMB'000)	GFA under management %	(<i>'000 sq.m.</i>)	%	Number of projects
Property management services (lump-sum basis)	1,318,086	95.9	75,300	76.0	603	1,332,398	95.9	79,198	77.1	618
Property management services (commission basis)	56,790	4.1	23,768	24.0	115	56,977	4.1	23,499	22.9	110
Total	1,374,876	100.0	99,068	100.0	718	1,389,375	100.0	102,697	100.0	728

It is important to note that for projects on commission basis, the Group recorded only a pre-determined percentage, typically 10%, of the property management fees or cost of services as set out in the property management service contracts as revenue, while all the property management fees are recorded as revenue under projects on lump-sum basis.

The table below sets forth the breakdowns of (i) the property management services revenue, (ii) the total GFA under management, and (iii) the number of managed property projects by type of developers for the years/as of the dates indicated:

	Year ended/as of 31 December									
	2025					2024				
	Revenue (RMB'000)	GFA under management % ('000 sq.m.)		Number of projects %		Revenue (RMB'000)	GFA under management % ('000 sq.m.)		Number of projects %	
Properties developed by the Kaisa Group	614,582	44.7	44,518	44.9	237	610,788	44.0	43,791	42.6	224
Properties developed by independent third-party property developers	760,294	55.3	54,550	55.1	481	778,587	56.0	58,906	57.4	504
Total	1,374,876	100.0	99,068	100.0	718	1,389,375	100.0	102,697	100.0	728

In 2025, the total revenue of property management services was approximately RMB1,374.9 million, representing an decrease of approximately 1.0% period to period. With a reasonable layout of the property industry, the Group has been able to undertake engagement of a wide range of property projects and provide competitive services and products. The overall development of property management services of the Group is stable.

VALUE-ADDED SERVICES TO PROPERTY OWNERS

As an extension of its property management services, the Group's value-added services to property owners aim to address the life style and daily needs of the property owners (including individual property owners and institutional property owners) and residents, provide various products and services, improve customer satisfaction, and provide a more healthy and convenient life style for the property owners and residents.

The Group provides diversified products and services to the property owners and residents through K Series Living to meet their ever-changing daily needs. As a value-added service brand under the Group, K Series Living has been adhering to the service concept of "Fast, High-quality, Value-added and Colorful life" since its launch, covering various business types such as residential and commercial buildings, office buildings, stadiums, and public facilities. After continuous optimization and development, K Series Living currently can be mainly divided into four major segments: (1) K-Space (小K空間), (2) K-Retail (小K零售), (3) K-Lease & Sale (小K租售), and (4) K-Decoration (小K美居). K-Retail has been further refined and divided into various sub-unit product series: (a) K-Commercial and Office Buildings (小K商

寫), (b) K-Charging (小K充電), (c) K-Choice Goods (小K優選), (d) K-Group Buying (小K團購), (e) K-Delivery (小K到家), (f) K-Cultural Tourism (小K文旅) and (g) K-pet (小K萌寵). By leveraging the advantages of integrated fundamental property services, diversified supply chains and distributed mini warehouse, we continued to improve our value-added service capabilities, provide high-quality products and convenient services, and build a standardized and full-lifecycle service and product system.

As at 31 December 2025, Kaisa Prosperity has been opened eleven stores under the name of “K Series Living Exhibition Hall” (小K生活展示館) and at present, covers 11 cities including Guangzhou, Shenzhen, Shanghai, Chengdu, Chongqing, Dongguan, Foshan, Huizhou, Suzhou, Zhuhai and Changsha. Catering to the immediate needs of customers and focusing on user experience, we strive to create accurate professional value-added services.

In 2025, the Group established the Pet Business Department and the “Guanguan Pets”, a pet business brand. Leveraging the innate trust and seamless reach between the property management company and property owners, we precisely addressed the pain points faced by pet-owning families regarding pet care during business trips and holidays. By supplementing community convenience scenarios with in-home feeding services, we not only expanded business boundaries and unlocked new value, but also deepened community service stickiness, constructing a diversified ecosystem for community living.

In 2025, the total revenue of value-added services to property owners was approximately RMB150.8 million, representing a decrease of approximately 7.0% period to period. Such decrease was primarily due to the market environment of downturn in resident consumption and intensifying industry competition.

VALUE-ADDED SERVICES TO NON-PROPERTY OWNERS

Leveraging on the Group’s relevant expertise, the Group provides a wide range of value-added services to non-property owners (mainly property developers), which include: (i) construction sites management services; (ii) display units and property sales venues management services; (iii) property management consulting services; and (iv) smart solution services, etc..

Construction sites management services. The Group provided primarily security services and to a lesser extent management services, such as cleaning and maintenance services, for the construction sites of property development projects.

Display units and property sales venues management services. The Group deployed personnel onsite to assist property developers with their property marketing and selling activities. The Group also assisted property developers with responding to general enquiries at front desks and maintaining order at property sales venues.

Consulting Services. The Group provided general daily property management consulting services to other property management companies.

Smart solution services. The Group provided comprehensive integrated solution including design, self-developed products, engineering construction and operation and maintenance services to different kinds of property developers.

In 2025, the total revenue of value-added services to non-property owners was approximately RMB85.9 million, representing a decrease of approximately 53.3% period to period. Such decrease was primarily due to the impact of national macro policies, market conditions in the real estate industry during the period, where the demand for relevant services by real estate developers decreased.

Save for the above mentioned, there have been no material changes in the business development activities of the Group in 2025.

FINANCIAL REVIEW

Revenue

The Group derived revenue from: (i) property management services; (ii) value-added services to property owners; and (iii) value-added services to non-property owners. Revenue decreased by approximately 7.1% from approximately RMB1,735.4 million in 2024 to approximately RMB1,611.6 million in 2025.

The revenue contribution by each business segment for the years indicated is set forth in the table below:

	Year ended 31 December					
	2025		2024		Changes	
	<i>RMB'000</i>	%	<i>RMB'000</i>	%	<i>RMB'000</i>	%
Property management services	1,374,876	85.3	1,389,375	80.1	(14,499)	(1.0)
Value-added services to property owners	150,760	9.4	162,139	9.3	(11,379)	(7.0)
Value-added services to non-property owners	85,922	5.3	183,913	10.6	(97,991)	(53.3)
Total	1,611,558	100.0	1,735,427	100.0	(123,869)	(7.1)

- Revenue from property management services, which primarily include property management fees for providing security, cleaning and gardening and property repair and maintenance services to residential communities, commercial properties and public facilities, and such revenue decreased by approximately 1.0% from approximately RMB1,389.4 million in 2024 to approximately RMB1,374.9 million in 2025. Such decrease was primarily attributable to the Company's strategic withdrawal from underperformed projects, which resulted in a corresponding reduction in GFA under management.
- Revenue from value-added services to property owners, which primarily include income generated from the car parking, space leasing, retailing, house leasing and sales, housing decoration and renovation and other value-added services through both offline and online channels, decreased by approximately 7.0% from approximately RMB162.1 million in 2024 to approximately RMB150.8 million in 2025. Such decrease was primarily due to the market environment of downturn in resident consumption and intensifying industry competition.
- Revenue from value-added services to non-property owners, which primarily include fees for construction sites management, display units and property sales venues management and consulting services and installation and maintenance services, decreased by approximately 53.3% from approximately RMB183.9 million in 2024 to approximately RMB85.9 million in 2025. Such decrease was primarily due to the impact of national macro policies, market conditions in the real estate industry during the period, where the demand for relevant services by real estate developers decreased.

Direct Operating Expenses

The direct operating expenses of the Group primarily comprises staff costs, subcontracting costs, construction costs, carpark leasing expenses, utility expenses, office expenses, community cultural expenses, other taxes and others. The direct operating expenses decreased by approximately RMB55.0 million from approximately RMB1,290.9 million in 2024 to approximately RMB1,235.9 million in 2025.

Gross Profit and Gross Profit Margin

The overall gross profit of the Group decreased by approximately 15.5% from approximately RMB444.5 million in 2024 to approximately RMB375.7 million in 2025. The overall gross profit margin of the Group decreased by approximately 2.3 percentage points from approximately 25.6% in 2024 to approximately 23.3% in 2025. The table below sets forth the Group's gross profit and gross profit margin by business segment for the periods indicated:

	Year ended 31 December				Changes	
	2025		2024			
	Gross Profit RMB'000	Gross Profit Margin %	Gross Profit RMB'000	Gross Profit Margin %	Amount RMB'000	%
Property management services	272,089	19.8	298,131	21.5	(26,042)	(8.7)
– Lump-sum basis	215,299	16.3	241,154	18.1	(25,855)	(10.7)
– Commission basis	56,790	100.0	56,977	100.0	(187)	(0.3)
Value-added services to property owners	91,854	60.9	100,240	61.8	(8,386)	(8.4)
Value-added services to non-property owners	11,739	13.7	46,115	25.1	(34,376)	(74.5)
Total	375,682	23.3	444,486	25.6	(68,804)	(15.5)

1) *Property management services*

Gross profit margin of the Group's property management services dropped by approximately 1.7 percentage points from approximately 21.5% in 2024 to approximately 19.8% in 2025. The decrease was primarily due to the increase of staff costs and subcontracting costs to improve our service quality and enhance customer experience and satisfaction.

2) *Value-added services to property owners*

Gross profit margin of the Group's value-added services to property owners decreased by approximately 0.9 percentage points from approximately 61.8% in 2024 to approximately 60.9% in 2025. The decrease was primarily due to the increase in subcontracting costs to improve our service quality and enhance customer experience and satisfaction.

3) *Value-added services to non-property owners*

Gross profit margin of the Group's value-added services to non-property owners dropped by approximately 11.4 percentage points from approximately 25.1% in 2024 to approximately 13.7% in 2025. The decrease was primarily due to an increase in revenue contributed by certain value-added services which have a lower gross profit margins.

Selling and Marketing Expenses

Selling and marketing expenses of the Group decreased by approximately 4.6% from approximately RMB10.9 million in 2024 to approximately RMB10.4 million in 2025, the decrease was primarily due to less marketing activities conducted for the twelve months ended 31 December 2025.

Administrative Expenses

Administrative expenses of the Group decreased by approximately 7.4% from approximately RMB171.3 million in 2024 to approximately RMB158.7 million in 2025. The decrease was primarily attributable to the optimization of the organizational structure, improvement in operational efficiency, and reduction in related administrative expenses.

Provision for Loss Allowance on Financial Assets and Contract Assets

Provision for loss allowance on financial assets and contract assets of the Group decreased by approximately 2.1% from approximately RMB116.6 million in 2024 to approximately RMB114.1 million in 2025. The decrease was mainly attributable to the fact that substantial provision for loss allowance on trade receivables had been recognised in 2024.

Change in Fair Value on Financial Assets at Fair Value Through Profit or Loss

During the year ended 31 December 2025, the Group recorded a fair value loss on financial assets at fair value through profit or loss of approximately RMB56.2 million as compared to approximately RMB89.8 million in 2024. The decrease in fair value on financial assets at fair value through profit or loss was mainly due to the unexpected slow recovery of the PRC real estate industry in the current year.

Income Tax Expense

The Group recorded an income tax expenses of approximately RMB9.0 million in 2025 as compared to the income tax expenses of approximately RMB15.2 million in 2024 due to decrease in profit before income tax.

Profit for the Year

The Group's profit for the year ended 31 December 2025 decreased by approximately 6.6% to approximately RMB23.9 million from approximately RMB25.6 million for the year ended 31 December 2024.

Liquidity, Capital Structure and Financial Resources

As of 31 December 2025, the Group's cash and bank balances were approximately RMB214.1 million, represented a decrease of approximately RMB29.2 million from approximately RMB243.3 million as of 31 December 2024.

As of 31 December 2025, the net current assets of the Group was approximately RMB155.1 million (31 December 2024: approximately RMB127.0 million). As of 31 December 2025, the Group's current ratio (current assets/current liabilities) was approximately 1.18 (31 December 2024: approximately 1.15).

As of 31 December 2025 and 31 December 2024, the Group did not have any other loans or borrowings.

Treasury Policy

The Directors of the Company will continue to follow a prudent policy in managing the Group's cash and cash equivalents and maintain a strong and healthy liquidity position to ensure that the Group is well-positioned to capture future growth opportunities.

Goodwill

As of 31 December 2025, the Group recorded goodwill of approximately RMB136.5 million (31 December 2024: approximately RMB136.5 million), as a result of the completion of the acquisitions of Jiaxing Dashu Property Management Company Limited* (嘉興大樹物業管理有限公司) and Jiangsu Hengyuan Property Management Company Limited* (江蘇恒源物業管理有限公司) in 2019, Ningbo Langtong Property Management Company Limited* (寧波朗通物業服務有限公司) in 2020 and Zhejiang Ruiyuan Property Management Company Limited* (浙江瑞源物業管理有限公司) in 2021. According to the impairment assessment made by the management of the Company, there was no indication of any impairment of goodwill and hence no impairment provision is required for the twelve months ended 31 December 2025.

Right-of-Use Assets

As of 31 December 2025, the Group recorded right-of-use assets of approximately RMB159.6 million (31 December 2024: approximately RMB164.0 million) which are mainly used by the Group to provide property management services and sublease the non-residential properties for rental income.

Trade and Other Receivables

Trade receivables mainly arise from property management fees, value-added services fees to non-property owners. Trade receivables of the Group increased by approximately RMB22.0 million from approximately RMB455.6 million as of 31 December 2024 to approximately RMB477.6 million as of 31 December 2025, primarily due to the slow recovery of trade receivables from real estate developers due to the impact of national macro policies, market conditions in the real estate industry.

Other receivables mainly consist of deposits, prepayments, payments on behalf of staff and payments on behalf of residents under lump-sum basis. Other receivables of the Group slightly increased by approximately RMB1.6 million from approximately RMB87.8 million as of 31 December 2024 to approximately RMB89.4 million as of 31 December 2025.

Payments on behalf of Residents

The Group made payments on behalf of residents of the managed residential communities under commission basis. Payments on behalf of residents represent working capital expenditures paid by the Group on behalf of the residential communities. The Group's payments on behalf of residents increased by approximately RMB32.7 million from approximately RMB135.9 million as of 31 December 2024 to approximately RMB168.6 million as of 31 December 2025, primarily due to the slowdown of collection of such payments.

Trade and Other Payables

Trade payables mainly represent the obligations to pay suppliers for procurements in the ordinary course of business. The balances of trade payables of the Group increased by approximately RMB22.0 million from approximately RMB206.6 million as of 31 December 2024 to approximately RMB228.6 million as of 31 December 2025.

Other payables mainly consist of accrued staff costs, deposits received, consideration payables for acquisition of subsidiaries and receipt on behalf of residents. The accrued staff costs relate to the employees' salary and related expenditure. The deposits received primarily relate to the deposits the Group received from property owners in the managed properties charged on a lump-sum basis for any additional repairs and maintenance expense the Group might incur due to their property decoration. Receipt on behalf of residents relates to the remaining property management fees the Group received in the managed properties charged on a commission basis and the Group managed such fees collectively in its headquarters. The balances of other payables of the Group decreased by approximately RMB8.9 million from approximately RMB333.9 million as of 31 December 2024 to approximately RMB325.0 million as of 31 December 2025.

Capital Commitments

As of 31 December 2025, the Group did not have any material capital commitment (31 December 2024: nil).

Pledge of Assets

As of 31 December 2025, none of the assets of the Group were pledged (31 December 2024: nil).

Material Acquisitions and Disposals of Assets

The Group did not have any material acquisitions or disposals of assets during the year ended 31 December 2025.

Gearing Ratio

Gearing ratio is calculated by dividing the total interest-bearing borrowings by total equity at the end of the respective period. The gearing ratio of the Group was nil as of 31 December 2024 and 2025.

Contingent Liabilities

As of 31 December 2025, the Group did not have any contingent liabilities (31 December 2024: nil).

Foreign Exchange Risk

The Group primarily conducts its business in the PRC and in Renminbi. As of 31 December 2025, cash and bank balances denominated in Hong Kong dollar and United States Dollar was approximately RMB0.35 million (31 December 2024: RMB0.86 million), which are subject to foreign exchange exposure.

The Group currently does not hedge its foreign exchange risk, but continuously monitors its foreign exchange exposure. The management will consider hedging the foreign exchange exposure where there is a material impact on the Group.

Employees and Benefits Policies

As of 31 December 2025, the Group had 11,107 employees (31 December 2024: 12,013 employees). Employee's remuneration is determined based on the employee's performance, skills, knowledge, experience and market trends. The Group regularly reviews compensation policies and programs, and will make necessary adjustments in order to be in line with remuneration levels in the industry norm. In addition to basic salaries, employees may be granted with discretionary bonus and cash awards based on individual performance. The Group offers training to its employees so as to enable them to acquire basic skills to perform their duties and to upgrade or improve their production techniques. Furthermore, on 18 June 2019, the Company adopted a share option scheme (the "**Share Option Scheme**"). Details of the Share Option Scheme are set out in the circular of the Company dated 29 April 2019.

Subsequent events

Save as disclosed in this announcement, there were no other significant subsequent events up to the date of this announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders of the Company (the "**Shareholders**"), enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and complied with all the applicable code provisions during the Reporting Period.

AUDIT COMMITTEE

The audit committee (the "**Audit Committee**") assists the Board in providing an independent review of the effectiveness of the financial reporting process, internal control and risk management systems of the Group, overseeing the audit process and performing other duties and responsibilities as may be assigned by the Board from time to time. The audited consolidated annual results of the Company for the reporting year had been reviewed by the Audit Committee, which consists of three independent non-executive Directors of the Company, namely Mr. LIU Hongbai, Ms. MA Xiumin and Mr. CHEN Bin, with Mr. CHEN Bin as the Chairman of the Audit Committee.

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 of the Listing Rules as the standard for securities transactions by the Directors. The Company has made specific enquiries with all the Directors and all the Directors confirmed that they have complied with the required standards set out in the Model Code during the year ended 31 December 2025.

The Company has also established written guidelines on no less exacting terms than the Model Code for securities transactions by the relevant employees of the Group, who are likely to be in possession of inside information of the Company. There was no non-compliance of the guidelines noticed by the Board during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended 31 December 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, as defined under the Listing Rules).

DIVIDEND

The Directors do not recommend the payment of a final dividend for 2025 (2024: nil).

SCOPE OF WORK OF THE AUDITORS

The figures in respect of this preliminary announcement of the Group's results for the year ended 31 December 2025 have been agreed by the Group's auditor, ZSZH (HK) Fuson CPA Limited, to the amounts set out in the Group's draft consolidated financial statements for the Year. The work performed by ZSZH (HK) Fuson CPA Limited 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 (HK) Fuson CPA Limited on this announcement.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining shareholders of the Company who are entitled to attend and vote at the forthcoming AGM to be held on Thursday, 18 June 2026, the register of members of the Company will be closed on Monday, 15 June 2026 to Thursday, 18 June 2026, both days inclusive. The record date for determining the eligibility of shareholders to attend and vote at the AGM will be Thursday, 18 June 2026. In order to qualify for attending and voting at the AGM, all transfer documents should be lodged for registration with Company's Hong Kong branch 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 Friday, 12 June 2026.

ANNUAL GENERAL MEETING

The AGM will be held on 18 June 2026 and a notice convening the AGM will be published and dispatched in the manner as required by the Listing Rules on the Stock Exchange in due course.

PUBLICATION OF ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

The annual report of the Company for the year will be dispatched to the shareholders of the Company and published on the websites of the Stock Exchange at www.hkex.com.hk and the Company at www.jzywy.com in due course.

By order of the Board
Kaisa Prosperity Holdings Limited
Kwok Ying Shing
Chairman

Hong Kong, 26 March 2026

As at the date of this announcement, the executive Directors are Mr. Kwok Ying Shing, Mr. Liu Lihao, Mr. Liao Chuanqiang, Mr. Kwok Hiu Kwan, Mr. Zhao Jianhua and Ms. Mou Zhaohui; and the independent non-executive Directors are Mr. Liu Hongbai, Ms. Ma Xiumin and Mr. Chen Bin.

* *For identification purpose only and should not be regarded as the official English translation of the Chinese names. In the event of any inconsistency, the Chinese names shall prevail.*