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Evergrande Property Services Group Limited

恒大物業集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6666)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

Financial Summary

For the year ended 31 December 2025:

- The Group had operating revenue of approximately RMB13,677.6 million, representing a year-on-year increase of approximately 7.2%.
- The Group had gross profit of approximately RMB2,504.6 million, representing a year-on-year increase of approximately 2.5%.
- The Group had net profit of approximately RMB1,009.1 million, representing a year-on-year decrease of approximately 2.2%.
- Profit attributable to owners of the Company amounted to approximately RMB986.6 million and basic earnings per share was approximately RMB0.09.
- The Group had cash and cash equivalents of approximately RMB4,189.5 million, representing a year-on-year increase of approximately 53.3%.

As at 31 December 2025, the Group had a GFA under management of approximately 601 million sq.m.. The cumulative newly signed contracted GFA from third parties amounted to approximately 45 million sq.m. during the Year, and annual saturated contract revenue exceeded RMB1.1 billion, representing a year-on-year increase of approximately 7.3%.

The Board does not recommend the payment of any final dividend in respect of the year ended 31 December 2025.

Consolidated Statement of Profit and Loss and Other Comprehensive Income

For the year ended 31 December

		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	5	13,677,623	12,756,687
Cost of sales		<u>(11,173,017)</u>	<u>(10,313,250)</u>
Gross profit		2,504,606	2,443,437
Other income	6	104,227	185,275
Other losses	7	(31,304)	(48,222)
Impairment losses on financial assets, net		(151,289)	(130,890)
Fair value losses on investment properties		(922)	(43)
Administrative and marketing expenses		<u>(942,248)</u>	<u>(975,422)</u>
Operating profit		1,483,070	1,474,135
Fair value gains on financial liabilities at fair value through profit or loss		–	2,753
Finance costs	9	<u>(125,334)</u>	<u>(69,536)</u>
Profit before income tax		1,357,736	1,407,352
Income tax expenses	10	<u>(348,590)</u>	<u>(375,327)</u>
Profit for the year		<u>1,009,146</u>	<u>1,032,025</u>
Profit attributable to:			
– Owners of the Company		986,573	1,020,987
– Non-controlling interests		<u>22,573</u>	<u>11,038</u>
		<u>1,009,146</u>	<u>1,032,025</u>
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss:			
Exchange difference arising on translation of financial statements of foreign operations		<u>(2,256)</u>	<u>1,197</u>
Total comprehensive income for the year		<u>1,006,890</u>	<u>1,033,222</u>
Total comprehensive income attributable to:			
– Owners of the Company		984,317	1,022,184
– Non-controlling interests		<u>22,573</u>	<u>11,038</u>
		<u>1,006,890</u>	<u>1,033,222</u>
Earnings per share			
– Basic and diluted	11	<u>RMB0.09</u>	<u>RMB0.09</u>

Consolidated Statement of Financial Position

		At 31 December	
		2025	2024
	Notes	RMB'000	RMB'000
Assets			
Non-current assets			
Property and equipment		81,957	67,908
Right-of-use assets		39,503	22,860
Intangible assets		1,380,046	1,498,280
Investment properties		4,255	5,177
Investments accounted for using equity method		68,197	52,526
Deferred tax assets		488,036	509,045
Total non-current assets		2,061,994	2,155,796
Current assets			
Trade and other receivables	13	3,170,458	3,152,306
Prepayments		65,730	59,519
Inventories		5,983	4,624
Financial assets at fair value through profit or loss		—	503,180
Restricted cash		120,911	137,549
Cash and cash equivalents		4,189,546	2,697,369
Total current assets		7,552,628	6,554,547
Total assets		9,614,622	8,710,343
Equity			
Share capital	14	7,060	7,060
Reserves		(5,801,872)	(5,969,520)
Retained earnings		7,398,449	6,517,066
Equity attributable to owners of the Company		1,603,637	554,606
Non-controlling interests		346,223	422,568
Total equity		1,949,860	977,174

		At 31 December	
		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
Liabilities			
Non-current liabilities			
Other payables	<i>15</i>	75,000	75,053
Lease liabilities		23,215	11,008
Deferred tax liabilities		101,424	123,942
Total non-current liabilities		<u>199,639</u>	<u>210,003</u>
Current liabilities			
Contract liabilities	<i>5</i>	2,623,690	2,755,007
Trade and other payables	<i>15</i>	3,956,800	4,222,898
Current tax liabilities		813,097	461,143
Lease liabilities		71,536	84,118
Total current liabilities		<u>7,465,123</u>	<u>7,523,166</u>
Total liabilities		<u>7,664,762</u>	<u>7,733,169</u>
Total equity and liabilities		<u><u>9,614,622</u></u>	<u><u>8,710,343</u></u>

Notes to the Consolidated Financial Statements

1. GENERAL INFORMATION

Evergrande Property Services Group Limited (the “**Company**”) was incorporated in the Cayman Islands on 13 March 2020 as an exempted company with limited liability under the Companies Act (Cap. 22. Act 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company’s registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company’s ultimate holding company is China Evergrande Group (in liquidation) (“**China Evergrande Group**”), an exempted company incorporated in the Cayman Islands with limited liability and its shares were listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), but were delisted from the Stock Exchange on 25 August 2025.

The Company is an investment holding company. The Company and its subsidiaries (the “**Group**”) are primarily engaged in the provision of property management services, community living services, asset management services and community operation services.

The consolidated financial statements are presented in Renminbi (“**RMB**”) and rounded to nearest RMB’000, unless otherwise stated.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

(i) Compliance with HKFRS Accounting Standards and Hong Kong Companies Ordinance

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for investment properties, financial assets at fair value through profit or loss and contingent consideration payables that are measured at fair values at the end of each reporting period.

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies.

3. APPLICATION OF NEW AND AMENDMENTS TO THE HKFRS ACCOUNTING STANDARDS

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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3.1 Impact of Applying the Amendments to HKAS 21 “Lack of Exchangeability”

The Group has applied the amendments for the first time in the current year.

The amendments specify how an entity shall assess whether a currency is exchangeable into another currency at the measurement date when exchangeability is temporarily lacking, and how to estimate the spot exchange rate of that currency at the measurement date.

The amendments aim to require entities to disclose relevant information so that users of financial statements can understand the impact of currency not being exchangeable.

The amendments permit early application by an entity. In applying the amendment, an entity should not restate comparative information. As at the date of initial application, an entity should determine the cumulative effect of initially applying the amendments and adjust the opening balance of retained earnings, or present the cumulative translation difference in a separate equity item (if applicable).

The application of the amendments in the current year had no material impact on the 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:

Amendments 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
Amendments 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
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ³
HKFRS 18	Presentation and Disclosure in Financial Statements ³
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ³

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2026.

³ Effective for annual periods beginning on or after 1 January 2027.

The directors of the Company are in the process of making an assessment of what the impacts of these new standards and amendments to standards are expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements except for the following:

HKFRS 18 “Presentation and Disclosure in Financial Statements”

HKFRS 18 will replace HKAS 1 “Presentation of financial statements”, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, HKFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group present and disclose financial performance in the financial statements. The key changes introduced in HKFRS 18 relate to (i) the structure of the statement of profit or loss, (ii) required disclosures for management-defined performance measures (which are referred to alternative or non-GAAP performance measures), and (iii) enhanced requirements for aggregation and disaggregation of information.

The directors of the Company are currently assessing the impact of applying HKFRS 18 on the presentation and the disclosures of the consolidated financial statements.

4. 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 performance of the operating segment, has been identified as the executive directors of the Company.

During the years ended 31 December 2025 and 2024, the Group was principally engaged in the provision of property management services, community living services, asset management services and community operation services in the People’s Republic of China (the “PRC”). Management reviews the operating results of the business as a single operating segment as the nature of services, the type of customers for services, the method used to provide their services and the nature of regulatory environment is the same in different regions.

The principal operating entities of the Group are domiciled in the PRC and the majority of revenue was derived from the PRC during the years ended 31 December 2025 and 2024.

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

5. REVENUE

Revenue mainly comprises of proceeds from property management services, community living services, asset management services and community operation services. An analysis of the Group's revenue by category for the years ended 31 December 2025 and 2024 is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Property management services		
– Basic property management services	11,469,695	10,591,066
– Value-added services to non-property owners	28,483	97,615
	<u>11,498,178</u>	<u>10,688,681</u>
Community living services	1,008,788	910,983
Asset management services	797,635	776,780
Community operation services	373,022	380,243
	<u>13,677,623</u>	<u>12,756,687</u>
Timing of revenue recognition		
– Over time	12,803,797	11,953,432
– At a point in time	873,826	803,255
	<u>13,677,623</u>	<u>12,756,687</u>
Type of customers		
– Related parties (<i>Note 16</i>)	32,332	86,806
– Third parties	13,645,291	12,669,881
	<u>13,677,623</u>	<u>12,756,687</u>

For the years ended 31 December 2025 and 2024, revenue from the services provided by the Group to the fellow subsidiaries and joint ventures of China Evergrande Group contributed approximately 0.2% and 0.7% of the Group's revenue, respectively.

The Group has a large number of customers, none of whom contributed 10% or more of the Group's revenue during the years ended 31 December 2025 and 2024.

(a) **Contract liabilities**

i. The Group has recognised the following revenue-related contract liabilities:

	At 31 December		At 1 January
	2025	2024	2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Contract liabilities			
– Property management services	2,493,939	2,680,232	2,582,650
– Community living services	32,803	19,034	13,535
– Asset management services	20,916	16,283	19,072
– Community operation services	76,032	39,458	34,093
	<u>2,623,690</u>	<u>2,755,007</u>	<u>2,649,350</u>

ii. Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue recognised that was included in the balance of contract liabilities at the beginning of the year		
– Property management services	2,426,411	2,329,292
– Community living services	19,034	13,535
– Asset management services	16,283	19,072
– Community operation services	39,458	34,093
	<u>2,501,186</u>	<u>2,395,992</u>

(b) Unsatisfied performance obligations

For basic property management services and value-added services to non-property owners, the Group recognises revenue in the amount that equals to the right to invoice which corresponds directly with the value to the customer of the Group's performance to date, on a monthly basis or settlement cycle. The Group has elected the practical expedient for not to disclose the remaining performance obligations for these types of contracts. The majority of the basic property management services contracts do not have a fixed term. The term of the contracts with non-property owners is generally set to expire when the counterparties notify the Group that the services are no longer required.

For community living services, asset management services and community operation services, they are rendered in a short period of time, which is generally less than a year, and the Group has elected the practical expedient for not to disclose the remaining performance obligations for these types of contracts.

(c) Assets recognised from incremental costs to obtain a contract

During the years ended 31 December 2025 and 2024, there were no significant incremental costs incurred to obtain a contract.

6. OTHER INCOME

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Government grants (<i>Note (a)</i>)	34,028	47,807
Income from compensation of non-fulfilment of performance guarantee (<i>Note (b)</i>)	—	87,474
Income from overdue fine	1,831	3,255
Interest income	19,069	16,573
Share of profits in associates	14,782	10,519
Write-off of payables	26,112	13,579
Others	8,405	6,068
	<u>104,227</u>	<u>185,275</u>

Notes:

- (a) Government grants mainly comprise of financial subsidies from government organisations, tax deductions for employing retired soldiers and priority groups, subsidies for value-added tax and other tax incentive policy, and refunds of paid unemployment insurance. There are no outstanding conditions or contingencies attached to the grants.
- (b) As some of the acquired target companies failed to complete the performance guarantee, the consideration payment should be deducted and recognised as other income in accordance with the terms of the Equity Transfer Agreement and the Supplemental Agreement. No such deduction was recognised during the year ended 31 December 2025 (2024: RMB87,474,000).

7. OTHER LOSSES

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Foreign exchange losses	253	196
Impairment loss on goodwill	26,969	41,283
Impairment loss on other intangible assets	4,082	6,743
	<u>31,304</u>	<u>48,222</u>

8. EXPENSES BY NATURE

	2025	2024
	RMB'000	RMB'000
		(Restated)
Employee benefit expenses	6,717,748	6,285,285
Outsourced cleaning and greening expenses	1,779,795	1,689,982
Maintenance costs	918,717	841,935
Utilities	766,614	620,896
Short-term and low value lease expenses	238,056	245,964
Tax and other levies	79,535	82,757
Office expenses	102,181	120,417
Travelling and entertainment expenses	79,282	70,319
Costs of security	76,734	65,029
Depreciation and amortization charges	129,687	146,821
Community activities expenses	152,393	118,009
Bank charges	32,391	29,896
Uniform costs	18,100	17,950
Auditors' remuneration	4,500	4,650
Service fees	137,567	162,422
Professional fees	92,167	110,766
Penalties and overdue payments	16,990	59,869
Procurement costs of value-added business	718,015	538,598
Others	54,793	77,107
	<u>12,115,265</u>	<u>11,288,672</u>

9. FINANCE COSTS

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Interest on lease liabilities	2,720	10,169
Interest on consideration payables	—	533
Other finance costs (<i>Note</i>)	122,614	58,834
	<u>125,334</u>	<u>69,536</u>

Note: Other financial costs represented concessions offered by the Group to the individual property owners in settlement of property service fees (including prepayments and the settlement of historical arrears).

10. INCOME TAX EXPENSES

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Current tax	350,099	413,748
Deferred tax	(1,509)	(38,421)
	<u>348,590</u>	<u>375,327</u>

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act of Cayman Islands and accordingly, is exempted from Cayman Islands income tax. The Company's subsidiaries in the British Virgin Islands ("BVI") were incorporated under the International Business Companies Act of the BVI and accordingly, are exempted from BVI income tax.

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising from operations in Hong Kong during the years except for one subsidiary of the Group which is a qualified corporation under the two-tiered profits tax rates regime. In respect of this subsidiary, the first HK\$2 million of assessable profits are subject to tax at the rate of 8.25% and the remaining assessable profits are subject to tax at the rate of 16.5%.

Income tax provision of the Group in respect of operations in the PRC has been calculated at the applicable tax rate on the estimated assessable profits for the years, based on the existing legislation, interpretations and practices in respect thereof. The statutory tax rate was 25% for the years ended 31 December 2025 and 2024. Certain subsidiaries and branches of the Group in the PRC were located in cities from western part of the PRC, and they were subject to a preferential income tax rate of 15% during the years ended 31 December 2025 and 2024. The subsidiaries and branches of the Group located in Hainan Province are qualified to enjoy the preferential income tax rate of 15% from 1 January 2020 to 31 December 2027. A preferential income tax rate of 20% will apply to subsidiaries that meet the conditions for small and micro-profit enterprises.

11. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares during the years ended 31 December 2025 and 2024.

The Company did not have any potential ordinary shares outstanding during the years ended 31 December 2025 and 2024. Diluted earnings per share is equal to basic earnings per share.

	2025	2024
Profit attributable to owners of the Company (RMB'000)	986,573	1,020,987
Weighted average number of ordinary shares in issue (in thousands)	10,810,811	10,810,811
Basic and diluted earnings per share	<u>RMB0.09</u>	<u>RMB0.09</u>

12. DIVIDENDS

No dividend has been declared or paid by the Company for the years ended 31 December 2025 and 2024.

13. TRADE AND OTHER RECEIVABLES

	2025	2024
	RMB'000	RMB'000
Trade receivables (<i>Note (i)</i>)	2,650,802	2,586,373
Value-added tax recoverable	45,320	28,319
Other receivables (<i>Note (ii)</i>)	474,336	537,614
	<u>3,170,458</u>	<u>3,152,306</u>

Notes:

(i) Trade receivables

	2025	2024
	RMB'000	RMB'000
Trade receivables		
Related parties (<i>Note 16</i>)	2,197,030	2,205,037
Third parties	3,600,131	3,357,659
	<u>5,797,161</u>	<u>5,562,696</u>
Gross trade receivables		
Less: allowance for impairment of trade receivables		
– Related parties (<i>Note 16</i>)	(2,197,030)	(2,203,003)
– Third parties	(949,329)	(773,320)
	<u>2,650,802</u>	<u>2,586,373</u>

(ii) Other receivables

	2025	2024
	RMB'000	RMB'000
Ultimate holding company (<i>Note (c)</i>)		
– Financial guarantees	13,400,000	13,400,000
Less:		
– Enforcement of financial guarantees pledged	<u>(13,400,000)</u>	<u>(13,400,000)</u>
	<u>–</u>	<u>–</u>
Other related parties (<i>Note 16</i>)	10,113	10,727
Third parties		
– Payments on behalf of property owners (<i>Note (d)</i>)	364,858	424,898
– Deposits	148,224	142,072
– Others	80,917	100,684
Gross other receivables	<u>604,112</u>	<u>678,381</u>
Less: allowance for impairment of other receivables		
– Related parties (<i>Note 16</i>)	(7,023)	(7,188)
– Third parties	(122,753)	(133,579)
Total other receivables	<u>474,336</u>	<u>537,614</u>

- (a) Trade receivables mainly arise from basic property management services income under lump sum basis. Basic property management services income is received in accordance with the terms of the relevant services agreements.

- (b) As at 31 December 2025 and 2024, the aging analysis of the trade receivables based on date of revenue recognition and net of loss allowance was as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
0 to 180 days	1,323,257	1,301,036
181 to 365 days	457,116	356,921
1 to 2 years	388,113	505,979
2 to 3 years	287,681	276,321
Over 3 years	194,635	146,116
	<u>2,650,802</u>	<u>2,586,373</u>

- (c) Pursuant to the Court's judgement, the ultimate controlling shareholder and Hengda Real Estate Group Company Limited (a related party of the Company), were the actual debtor of the financing guarantee fund, and certain other third parties as the guarantees were jointly liable for the full amount of the aforementioned debt respectively.
- (d) Payments on behalf of property owners mainly represented utilities costs of properties.
- (e) As at 31 December 2025 and 2024, trade and other receivables were denominated in RMB and the carrying amounts of trade and other receivables approximate their fair values.

14. SHARE CAPITAL

	Number of ordinary shares	Nominal value of ordinary shares <i>USD'000</i>	Equivalent nominal value of ordinary shares <i>RMB'000</i>
Authorized:			
At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	<u>100,000,000,000</u>	<u>10,000</u>	<u>70,000</u>
Issued:			
At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	<u>10,810,811,000</u>	<u>1,081</u>	<u>7,060</u>

Note: The Company did not have any treasury shares.

15. TRADE AND OTHER PAYABLES

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables (<i>Note (a)</i>)		
Related parties (<i>Note 16</i>)	489,264	453,820
Third parties	<u>1,398,017</u>	<u>1,312,851</u>
	<u>1,887,281</u>	<u>1,766,671</u>
Accrued payroll	540,979	505,544
Other payables		
Related parties (<i>Note 16</i>)	132,589	133,650
Third parties		
– Amounts temporarily received from/on behalf of property owners or lessors (<i>Note (b)</i>)	427,642	425,679
– Deposits	353,265	401,510
– Other tax payables	49,547	81,193
– Considerations payable for business combinations	299,853	447,228
– Others	<u>340,644</u>	<u>536,476</u>
	<u>1,603,540</u>	<u>2,025,736</u>
	<u>4,031,800</u>	<u>4,297,951</u>
Less: Non-current portion	<u>(75,000)</u>	<u>(75,053)</u>
Current portion	<u><u>3,956,800</u></u>	<u><u>4,222,898</u></u>

Notes:

- (a) As at 31 December 2025 and 2024, the aging analysis of the trade payables based on goods and services received was as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Up to 1 year	1,247,710	1,390,034
1 to 2 years	375,727	256,856
2 to 3 years	200,903	43,987
More than 3 years	62,941	75,794
	<u>1,887,281</u>	<u>1,766,671</u>

- (b) The amounts mainly represented public utilities expenses collected by public utility entities from residents and other special funds managed on their behalf.
- (c) As at 31 December 2025 and 2024, trade and other payables were denominated in RMB and the carrying amounts of trade and other payables approximate their fair values.

16. RELATED PARTY TRANSACTIONS

(a) Transactions with related parties:

In addition to the transactions detailed elsewhere in the consolidated financial statements, the Group had the following transactions with related parties.

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue from rendering of services		
– Controlled by the Group's ultimate holding company	31,396	85,189
– Joint ventures of the Group's ultimate holding company	936	1,617
	<u>32,332</u>	<u>86,806</u>
Purchase of goods and services		
– Controlled by the Group's ultimate holding company	6,324	6,826
Leasing car parking spaces		
– Controlled by the Group's ultimate holding company	166,408	182,665
– Joint ventures of the Group's ultimate holding company	1,315	—
	<u>167,723</u>	<u>182,665</u>

The transactions above were carried out in the normal course of the Group's business and on terms as agreed between the transacting parties.

As China Evergrande Group is being liquidated, the management of the Group expects the inflow of economic benefits from China Evergrande Group is not optimistic and exists high uncertain. Since the property services customers involve all the property owners and various aspects of the community, which has integrality and indivisibility as a whole, it is impracticable to exclude China Evergrande Group from the provision of property management services to those vacant properties. Hence, no additional costs have been incurred and the Group continues to provide property management services to China Evergrande Group. The Group estimates that the amount of the service income for the year ended 31 December 2025 to be approximately RMB510,060,000. No revenue is recognised in respect of such property management services delivered to, while the Group will endeavour to take reasonable measures to collect the receivables from the relevant parties in accordance with the relevant laws and applicable agreements to actively safeguard the interests of the Group.

(b) Balances with related parties:

The Group had the following balances with related parties.

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables		
– Controlled by the Group's ultimate holding company	1,994,910	2,004,388
– Joint ventures of the Group's ultimate holding company	202,120	200,649
	<u>2,197,030</u>	<u>2,205,037</u>
Less: allowances for impairment of trade receivables (charged to profit or loss)	<u>(2,197,030)</u>	<u>(2,203,003)</u>
	<u>—</u>	<u>2,034</u>
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Other receivables		
– Controlled by the Group's ultimate holding company	10,113	10,727
Less: allowances for impairment of other receivables (charged to profit or loss)	<u>(7,023)</u>	<u>(7,188)</u>
	<u>3,090</u>	<u>3,539</u>
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Prepayments		
– Controlled by the Group's ultimate holding company	<u>1,452</u>	<u>1,392</u>

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables		
– Controlled by the Group's ultimate holding company	483,662	445,869
– Joint ventures of the Group's ultimate holding company	5,602	7,951
	489,264	453,820

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Other payables		
– Controlled by the Group's ultimate holding company	129,917	131,862
– Joint ventures of the Group's ultimate holding company	2,672	1,788
	132,589	133,650

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Contract liabilities		
– Controlled by the Group's ultimate holding company	6,079	6,263

- (i) The above trade receivables, prepayments, trade payables and contract liabilities were trading nature, interest free and repayable according to terms in contracts.

(c) Key management personnel compensation:

The number of key management personnel other than directors was 8 (2024: 5), and their compensations are set out below:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Salaries, bonuses and other benefits	9,469	5,445
Contributions to pension scheme expenses	332	201
	<u>9,801</u>	<u>5,646</u>

17. COMPARATIVE INFORMATION

Certain comparative figures have been reclassified to conform to the current year's presentation.

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of the Company, I hereby present the annual results of the Group for the year ended 31 December 2025 (the “**Year**”).

Review of 2025

Currently, the property management service industry is undergoing a profound transformation. On the one hand, policies are actively guiding property service enterprises to integrate into grassroots governance and urban services systems, and encouraging the development of the “property service + lifestyle services” model, promoting the transformation and upgrading of property service from traditional basic service providers to integrated service operators with broad development prospects. On the other hand, multiple challenges including upstream market adjustments, increasingly stringent regulation and rising demands of property owners, coupled with continuous increases in rigid costs, have prompted property service enterprises to shift from scale expansion to lean operation and strive to strike a balance between “cost reduction” and “quality improvement”. Overall, although the industry is under short-term pressure, it still demonstrates strong resilience and long-term potential.

Nevertheless, in the course of this round of industry reshuffle and market restructuring, while bearing the common pressures faced by the industry, the Group is also confronted with more complex practical challenges. The continued transmission of risks from related parties has affected the conversion of certain projects and the profitability of relevant businesses, while also constraining brand development and market expansion. Meanwhile, the recovery cycle of trade receivables has lengthened, and the ageing structure remains unsatisfactory, further intensifying cash flow pressure of the Group.

The interplay of internal and external factors continues to test the Group's operational resilience, earnings quality and sustainable development capabilities. In the face of these numerous challenges, the Group has adhered to a long-term approach and remained firmly committed to follows a development path centred on quality and efficiency. We always take customers as the core to strengthen service quality, while continuously expand high-quality projects relying on professional capabilities and service reputation. We have also actively build a “property service + lifestyle service” ecosystem, integrating resources to foster new growth drivers. In addition, through organizational reform, lean cost management and comprehensive digital and intelligent transformation, we have reshaped our operating system and consolidated the foundation for development. With the joint efforts of all employees, the Company has steadily navigated through phased challenges and entered a new stage of higher quality and more sustainable development.

During the Year, the Group achieved operating revenue of approximately RMB13,677.6 million, representing a year-on-year increase of approximately 7.2%; gross profit of approximately RMB2,504.6 million, representing a year-on-year increase of approximately 2.5%; and net profit of approximately RMB1,009.1 million, representing a year-on-year decrease of approximately 2.2%. Profit attributable to owners of the Company was approximately RMB986.6 million, with basic earnings per share of approximately RMB0.09.

Since 2021, due to the impact of the illegal misappropriation of huge amounts of funds of the Group by related parties and other issues, the Group has encountered enormous operational pressure. Faced with these challenges, the Group has faced difficulties head-on with the determination of a “game-changer (破局者)” and has deeply promoted a profound operational transformation. Under the leadership of the management, we have successfully resolved risks, and the Company’s cash flow has become increasingly robust, and its operating conditions have continued to improve by adjusting the business structure, strengthening capital management and control, and enhancing operational efficiency. As of 31 December 2025, the Group’s net current assets increased significantly by approximately RMB5,537.7 million compared with the end of 2021, rebounding to approximately RMB87.5 million and successfully turning from negative to positive. During the same period, cash and cash equivalents also increased by approximately RMB3,059.4 million (an increase of approximately 270.7%) compared with the end of 2021, reaching approximately RMB4,189.5 million. This series of achievements demonstrates the Group’s outstanding operational resilience and strategic execution capabilities, and also consolidates the financial foundation for sustainable development.

Take quality services as the foundation of our existence and consolidate the cornerstone of trust from property owners. We always uphold our original aspiration of service, take value creation as the guide, and integrate professional management and humanistic warmth into the entire service process. During the Year, the Group focused on the three core themes of “renovated facilities, standardized services and zero-distance communication” to deepen its practices and continuously enhance the quality of services. We continued to advance the “home renewal (家園煥新)” plan by systematically upgrading community environments, elderly and child-friendly facilities and intelligent systems, while regularly holding “equipment room open days”, so that resource investment was effectively translated into “visible changes” for property owners, continuously deepening the recognition of service value. Meanwhile, we further iterate the “closed-loop and implementable” standardized service system and accelerated the replication and promotion of outstanding practices through activities such as “service models around us”, achieving a leap in services from benchmark-demonstration to overall improvement. While consolidating hardware infrastructure, we attached greater importance to the subtle influence of service culture. By establishing a regular communication mechanism of “property owner meetings

+ home visits”, we approached property owners to listen to their demands and respond to their concerns, enhancing trust and building consensus through two-way interaction. In addition, the Group continuously optimized the public area revenue management norms and adhered to the principle of “transparent, clear, and compliant use” to build a solid foundation of trust through a transparent mechanism. We are committed to integrating high-quality services into daily life and building a warm and harmonious ideal homeland together with property owners.

Leverage quality services to generate a reputation effect and achieve simultaneous growth in scale and efficiency. Led by the “1+4+N” brand strategy, the Group has established six product matrices covering diversified scenarios, forming a pattern of coordinated development between residential and professional formats. Relying on solid product and service capabilities, we have continuously deepened the layout of high-value business formats and achieved sustained breakthroughs in commercial and office buildings, industrial parks, rail transport, hospitals and schools, city public services and other sectors. Through the development of benchmark projects and implementation of lean operations, we have promoted synchronous improvement in scale and efficiency. During the Year, the Group’s cumulative newly signed contracted gross floor area (“GFA”) from third parties amounted to approximately 45 million, with contracted annual saturated revenue exceeding RMB1.1 billion, representing a year-on-year increase of approximately 7.3%. The entry rate of newly signed projects in 2025 reached as high as 92.1%, effectively contributing to the Group’s cash flow and profit in the short term. Among newly signed projects, the annual saturated revenue of non-residential projects amounted to approximately RMB880 million, accounting for approximately 80%. Of these, annual saturated revenue from rail transport business formats stood at approximately RMB100 million, representing a year-on-year increase of approximately 248.6%, with the successful implementation of benchmark projects such as highway service areas in Fujian and Guizhou; annual saturated revenue from the hospitals and schools business formats amounted to approximately RMB170 million, representing a year-on-year increase of approximately 54.0%, with the successful implementation of benchmark projects such as Eastern Institute of Technology, Ningbo and The Second People’s Hospital of Jingdezhen; further strengthening the professional competitiveness and brand influence in the multi-format sectors and laying a solid foundation for the Group’s high-quality development.

Expand the value chain around the core needs of property owners and meet expectations for a better life through diversified services. The Group focuses on the two core business lines of community living and asset management, and continuously deepens the layout of value-added services through service upgrading and professional operation. In terms of community living services, resource integration has been strengthened relying on the intelligent operation system, and the coverage and efficiency of

convenient facilities such as intelligent charging piles and direct drinking water stations have both been improved, with revenue reaching approximately nearly RMB150 million in 2025, representing a year-on-year increase of about 36.8%. Meanwhile, the Group has deeply operated high-stickiness scenarios including community group-buying and to-home services, and built a trust moat through self-operation mode. In 2025, group-buying revenue amounted to nearly RMB500 million, representing a year-on-year increase of approximately 8.5%, and to-home service revenue reached nearly RMB100 million, representing a year-on-year increase of approximately 39.9%, achieving a win-win situation between customer experience and commercial value. Furthermore, featuring butler accompaniment, the Group fully launched community tourism services in 2025, serving more than 90,000 customers cumulatively throughout the year and generating revenue of nearly RMB40 million, which has become a new growth driver for living services segment. In terms of asset management, the property leasing and sales business deeply taps into community resources adhering to the philosophy of “professionalism, service and integration”. For the full year of 2025, the total transaction volume exceeded RMB6.9 billion, with revenue surpassing RMB100 million, representing a year-on-year increase of approximately 42.1%. We are committed to building trust with professionalism and creating connections with services, and continuously driving the evolution of property services towards a warm community comprehensive service ecosystem.

Deepen the digital and intelligent transformation to achieve a leap from efficiency improvement to product output. The Group is committed to advancing the digital and intelligent transformation, focusing on optimizing operational efficiency and enhancing customer experience, and continuously promoting technological iteration. The Group has successfully built an integrated platform covering all scenarios of property services and developed a series of digital and intelligent products that directly address industry pain points: the launch of the “Xuanlan” AI Quality Inspection System enables real-time insight and comprehensive perception of customer needs, achieving “resolving hot issues before complaints are filed” with a processing efficiency increase of over 70%, and automatically generating satisfaction evaluations to form a closed-loop management cycle; through the construction of the “Yingchuo Service Cloud” integrated management platform, the entire chain of business, finance and tax is connected to ensure that all revenues are fully collected (顆粒歸倉); in the field of community value-added services, with the help of SaaS service platforms such as “Evergrande optimization”, “Shansong”, “Baiju Charging” and “Zhiquan” as well as the built-in automatic commission settlement mechanism, all employees are motivated to participate in promotion, expanding a second source of income for the Company; ScienceSea intelligent IoT Platform, through lightweight hardware and software integrated solutions, enhances safety efficiency and reduces operational costs by unifying digital and intelligent management and AI active supervision.

As of now, the relevant digital and intelligent applications have covered over 90% of the management area of the Group, reaching nearly 100,000 employees and more than 4 million households of property owners. Through such a large-scale practical application, profound scenario understanding and operational experience have been accumulated. Based on this, the Group has officially established a technology service company to restructure internal systems into standardized and productized ones, and meticulously developed the “Yingchuo Service Cloud” and “Xuanlan” series of products, helping small and medium-sized property service enterprises transitioning to new quality productive forces. These systems are stable, practical and flexible in adaptation, capable of meeting the needs of diverse business formats and scenarios. In the first year of external empowerment, nearly 150 external property service enterprises were signed up, successfully achieving the strategic leap from internal value verification to industry empowerment.

Supported by talent development and organizational evolution, we fully activate the driving force for the Company’s development. We are firmly committed to the talent strategy of “empowering the frontline and achieving success for the frontline (賦能一線、成就一線)”. Through a combination of the recognition system and promotion mechanism, we have commended and promoted thousands of outstanding frontline employees, ensuring their contributions are seen and appreciated. Meanwhile, we focus on cultivating versatile service teams with “one expertise and comprehensive capabilities (一專多能)”. Through systematic training, job rotation and practical refinement, we help employees broaden their competency boundaries, enhance comprehensive on-site problem-solving capabilities and rapid response abilities. In addition, the Company continues to drive organizational efficiency improvement. By innovating the “all-round butler” service model, deepening functional intensification and process digitalization and intelligentization, we have built a flat and agile organizational system to achieve precise resource allocation and operational efficiency improvement. Ultimately, driven by the dual wheels of “human development” and “organizational evolution”, we inject sustained momentum into the high-quality development of the Group.

Actively fulfill social responsibilities and continuously enhance corporate value. The Group persists in pursuing development under the guidance of party building, deeply integrating social responsibility into corporate operations. In 2025, we effectively addressed key demands of property owners and successfully turned community governance difficulties into service highlights recognized by the public by organizing nearly 3,000 multi-party joint meetings each quarter. Meanwhile, we continued to launch convenience services and public welfare activities, holding more than 35,000 themed activities and 15,000 public welfare campaigns during the Year, serving people’s livelihood through practical action and giving back to society. Responding positively to the call of “10,000 Enterprises Vitalize 10,000 Villages (萬企興萬村)”, the Group assisted rural revitalization and increased farmers’ revenue through agricultural consumption support, generating nearly RMB70 million in revenue for farmers during the Year. We uphold our original aspiration with responsibility, fulfill our commitments through service, and continuously enhance corporate value.

Outlook for 2026

We will keep moving forward and embrace a promising future. The Group takes sound operation as the foundation and high-quality development as the guideline. By deepening service value, strengthening market expansion and promoting innovation in technology and talent in a coordinated manner, we will continue to enhance our core competitiveness and comprehensive value. We will forge ahead firmly amid opportunities and challenges and strive for long-term development.

Enhance service value and build a better living environment.

We have closely aligned with customer’s needs, systematically enhancing living quality through the “home renewal” initiative. By focusing on efficiency-enhancing nodes along the service value chain, we have reshaped the service standard system via digital intelligence, establishing closed-loop service covering problem identification, prompt response and outcome tracking, thereby winning customers’ long-term trust through high-quality service. Meanwhile, we have continued to promote transparency in property service, adhering to the principle of “proactive disclosure and transparent income and expenditure”. Standardized and institutionalized transparent operations safeguard property owners’ legitimate rights

and interests, further strengthening the foundation of trust. On this basis, we have actively cultivated a community cultural ecosystem, activating neighborhood connections through diverse activities and community cultivation, and upgrading property services from basic management to humanistic community operation. This has transformed neighborhood relations from “physical proximity” to “spiritual resonance”, truly realizing co-governance and sharing with property owners. In addition, we will focus on high-potential scenarios such as community group-buying, housing leasing and sales, to-home services and community tourism, stimulate the participation of the entire organization in business collaboration, and refine product capabilities through self-operation mode to meet customers’ needs for a better life, achieving a comprehensive upgrading from space maintenance to lifestyle operation.

Take quality as the foundation, drive word-of-mouth expansion, and lead the high-quality growth of scale.

The Group adheres to the core principle of “quality takes precedence over scale”. Relying on its professional brand strengths in vertical sectors, the Group focuses on nurturing business experts and market pioneers, establishing a talent expert pool, and continuously enhancing its influence in the industry. Meanwhile, it deepens strategic cooperation with major clients, and leverages professional capabilities and local resources to further develop high-value segmented markets including hospitals, schools, industrial parks and rail transit, establishing industry benchmarks. With excellent services, the Group gains profound recognition from property owners and customers, thereby activating the “reputation communication chain” comprising employees, property owners and partners, and converting each high-quality experience into proactive brand promotion momentum. In terms of management, the Group implements the strategy of “expanding quality projects and phasing out inferior ones (拓優逐劣)”. It guides the expansion of quality projects through the establishment of a competitive long-term incentive mechanism, and prudently adjusts low-quality and inefficient projects with no room for optimization based on a scientific comprehensive project evaluation system, continuously enhancing the quality of the projects under management. This forms a sound circulation of “targeted expansion – lean operation – value feedback”, which continuously promotes the coordinated improvement of scale, efficiency and brand reputation, and achieves a sound development pattern of coordinated expansion and clustered layout of multi-format businesses in various regions.

Deepen digital and intelligent integration and reshape the business core and industrial value through the power of technology.

The Group will continue to uphold the mission of “Empowering management with technology, driving growth with data, and returning service to human-centric warmth”. Focusing on the three directions of “AI-driven, data integration and management efficiency improvement”, the Group will further deepen the integrated innovation of artificial intelligence and property scenarios, and build an industry-leading digital and intelligent product matrix. The Group will focus on building an artificial intelligence product system represented by “Xuanlan”, empower frontline operations with AI, enable technology to serve as an “intelligent assistant” for employees, and free up manpower to focus on offering more heartfelt services. In product development, we will accelerate the standardization and commercialization implementation, meticulously refine the “Yingchuo Service Cloud” series of products, achieve the value transformation from “operating projects” to “operating capabilities”, and complete the strategic upgrade from service output to solution empowerment, striving to become the preferred partner for digital and intelligent transformation in the property industry.

Stimulate organizational vitality and drive the doubled growth of endogenous impetus and agile efficiency.

The Group has always taken “focusing on the frontline (向一線)” as its service foundation, and closely promoted management reforms around service touchpoints. Through job sorting and functional restructuring, a flat and agile structure is established; and with the digital dashboard of human resource efficiency, the matching of personnel to positions is dynamically optimized to ensure the right people are assigned to the right roles. On this basis, we use talent portraits to accurately identify potential talents, cultivate versatile capabilities through cross-regional job rotation, and meanwhile achieve precise talent introduction and reserve through industry-education integration, building a high-potential talent pool for key positions. We also firmly implement the dynamic rotation and merit-based selection and elimination mechanism for cadres, namely “the capable are promoted, the mediocre are demoted (能者上、庸者下)”, to continuously stimulate the vitality of the talent echelon and support the Group in achieving the synchronous enhancement of service capability and industrial value.

The Group will continue to take “customer satisfaction” as the fundamental principle, continuously refine property services and consolidate the foundation of brand trust; take “professional deep cultivation (專業深耕)” as the direction, actively expand community living and asset management services, and optimize business structure and profit model; take “lean operation” as the support, accelerate market expansion, increase the reserve of quality projects, and strengthen core competitiveness driven by the dual wheels of talent and technology. Through the in-depth integration of brand, quality, talent, operation and technology, the Group will forge a growth path of “refining services, broadening ecology and strengthening capabilities”, and march toward a higher-quality, more resilient and long-term future.

The higher the mountain, the more climbers there will be; the longer the journey, the more it rewards those who persevere (山高自有行者,路遠不負篤行). On behalf of the Board, I sincerely thank all colleagues and the management team for their concerted efforts and unwavering commitment along the way. Let us continue to unite with one heart and one mind, driven by firm conviction and concrete actions, jointly usher in a new chapter of high-quality and sustainable development. I also extend my sincere gratitude to all shareholders and stakeholders for their trust and support.

Duan Shengli

Chairman of the Board

Hong Kong, 27 March 2026

Management Discussion and Analysis

Financial Review

Revenue

The Group's revenue is mainly derived from four business segments: (i) property management services; (ii) community living services; (iii) asset management services; and (iv) community operation services. For the year ended 31 December 2025, the Group's total revenue was approximately RMB13,677.6 million, representing a year-on-year increase of approximately 7.2%.

The following table sets out a breakdown of revenue by business segment of the Group for the periods indicated:

	For the year ended 31 December 2025		For the year ended 31 December 2024		
	Revenue	Percentage of total revenue	Revenue	Percentage of total revenue	Growth rate
	(RMB'000)	(%)	(RMB'000)	(%)	(%)
Property management services	11,498,178	84.1	10,688,681	83.8	7.6
– Basic property management services	11,469,695	83.9	10,591,066	83.0	8.3
– Value-added services to non-property owners	28,483	0.2	97,615	0.8	-70.8
Community living services	1,008,788	7.4	910,983	7.1	10.7
Asset management services	797,635	5.8	776,780	6.1	2.7
Community operation services	373,022	2.7	380,243	3.0	-1.9
Total	13,677,623	100.0	12,756,687	100.0	7.2

(i) Property management services

During the Year, revenue from property management services amounted to approximately RMB11,498.2 million, representing a year-on-year increase of approximately 7.6%. Among them:

1. Revenue from basic property management services amounted to approximately RMB11,469.7 million, representing a year-on-year increase of approximately 8.3%, mainly due to (i) the increase in the GFA under management by the Group; and (ii) the promotion of fee collection through services, continuous improvement of service quality and reduction of high-risk customers.

As of 31 December 2025, the Group had a total GFA under management of approximately 601 million sq.m., representing an increase of approximately 22.0 million sq.m. as compared with the total GFA under management of approximately 579 million sq.m. as of 31 December 2024.

During the Year, (i) due to the principle of prudence, the Group recognized revenue from basic property management services on the basis of the consideration expected to be received for the provision of property management services to customers. For certain third-party customers with significantly increased credit risk, the Group has not recognized revenue for the portion of the consideration from those customers for which the Group has fulfilled its performance obligations but has not yet collected the consideration, taking into account their willingness to pay the consideration when the consideration was overdue; and (ii) considering the status of related parties, the Group's revenue from property management services during the Year excluded revenue from basic property management services such as management of vacant properties relating to related parties of approximately RMB510.1 million based on the principle of robustness.

The following table sets out the revenue from basic property management services by business segment of the Group for the periods indicated:

Project Sources	For the year ended 31 December 2025		For the year ended 31 December 2024		Growth rate (%)
	Revenue (RMB'000)	Percentage of total revenue (%)	Revenue (RMB'000)	Percentage of total revenue (%)	
Residential/ commercial, etc.	9,522,153	83.0	8,808,237	83.2	8.1
Public construction projects/City public service, etc.	1,947,542	17.0	1,782,829	16.8	9.2
Total	11,469,695	100.0	10,591,066	100.0	8.3

2. During the Year, revenue from value-added services to non-property owners was approximately RMB28.5 million.

(ii) Community living services

During the Year, revenue from community living services amounted to approximately RMB1,008.8 million, representing a year-on-year increase of approximately 10.7%, mainly due to: (i) focusing on the indoor service needs of property owners and expanding the product categories and service scale of to-home services; (ii) expanding the business scale and increasing operating revenue in response to the demand of property owners for direct drinking water and new energy charging; (iii) expanding the coverage of cultural and tourism services to drive revenue growth; and (iv) optimizing the supply chain and service capabilities of the community retail business, adding high-frequency and rigid-demand product categories to drive steady revenue growth.

(iii) Asset management services

During the Year, revenue from asset management services amounted to approximately RMB797.6 million, representing a year-on-year increase of approximately 2.7%, mainly due to the Group's reliance on the advantages of community resources, optimization of the professional service team, promotion of the in-depth integration of asset management and property services, enhancement of customer satisfaction and business conversion rate through differentiated services, thereby driving steady revenue growth.

(iv) Community operation services

During the Year, revenue from community operation services amounted to approximately RMB373.0 million, representing a year-on-year decrease of approximately 1.9%, mainly due to the impact of the external market environment, contraction in merchants' demand for community marketing and venue cooperation, and a decline in core business revenue.

The table below sets out a breakdown of revenue by source of the Group's revenue for the periods indicated:

Revenue sources	For the year ended 31 December 2025		For the year ended 31 December 2024		Growth rate
	Revenue (RMB'000)	Percentage of total revenue (%)	Revenue (RMB'000)	Percentage of total revenue (%)	
Related parties	32,332	0.2	86,806	0.7	-62.8
Third parties	<u>13,645,291</u>	<u>99.8</u>	<u>12,669,881</u>	<u>99.3</u>	<u>7.7</u>
Total	<u>13,677,623</u>	<u>100.0</u>	<u>12,756,687</u>	<u>100.0</u>	<u>7.2</u>

Cost of sales

The Group's cost of sales include staff costs, greening and cleaning costs, facilities and equipment repair and maintenance costs, energy costs, procurement costs of value-added business, taxes and other levies.

During the Year, the Group's cost of sales increased by approximately 8.3% from approximately RMB10,313.3 million for 2024 to approximately RMB11,173.0 million for 2025, mainly due to: (i) the expansion of the Group's GFA under management; (ii) the enhancement of the quality of services and the continuous increase in investment in the projects under management in terms of facility and equipment renewal and renovation, environmental enhancement, greening upgrade and lighting projects; (iii) organize diverse community cultural activities to enhance customer engagement; and (iv) increased procurement costs as a result of the vigorous development of community living services.

Gross profit and gross profit margin

The following table sets out a breakdown of the Group's gross profit and gross profit margin by business segments for the periods indicated:

	For the year ended 31 December 2025		For the year ended 31 December 2024	
	Gross profit (RMB'000)	Gross profit margin (%)	Gross profit (RMB'000)	Gross profit margin (%)
Property management services	1,753,394	15.2	1,707,227	16.0
– Basic property management services	1,750,781	15.3	1,698,338	16.0
– Value-added services to non-property owners	2,613	9.2	8,889	9.1
Community living services	212,487	21.1	203,112	22.3
Asset management services	388,798	48.7	380,389	49.0
Community operation services	149,927	40.2	152,709	40.2
Total	2,504,606	18.3	2,443,437	19.2

During the Year, the Group's overall gross profit was approximately RMB2,504.6 million, with a gross profit margin of approximately 18.3%, representing a year-on-year decrease of approximately 0.9 percentage point.

1. In respect of property management services, the gross profit margin decreased by approximately 0.8 percentage point from approximately 16.0% in 2024 to approximately 15.2% in 2025. Among which, the gross profit margin from basic property management services decreased by approximately 0.7 percentage point from approximately 16.0% in 2024 to approximately 15.3% in 2025, mainly due to the Group's focus on enhancing service quality and increased investment in projects under management in respect of renewal and renovation of facilities and equipment, environmental improvement, greening upgrade and lighting projects.
2. In respect of community living services, the gross profit margin decreased by approximately 1.2 percentage points from approximately 22.3% in 2024 to approximately 21.1% in 2025, mainly due to: (i) increased procurement of equipment such as charging piles and water dispensers; and (ii) increased investment in supply chain and intelligent digital platform construction to consolidate the advantages of the community group-buying business.
3. In respect of asset management services, the gross profit margin decreased by approximately 0.3 percentage point from approximately 49.0% in 2024 to approximately 48.7% in 2025, mainly due to: (i) an increase in business costs arising from the adjustment of commercial terms for the car parking space leasing business in accordance with market principles; and (ii) increased investment in the upgrading of intelligent digital service platforms to further enhance customer experience.
4. In respect of community operation services, the gross profit margin was 40.2%, unchanged from the previous year. The Company maintained a stable gross profit margin by optimizing resource allocation, enhancing operational efficiency and strictly controlling costs, which offset the impact of contracted market demand.

Administrative and marketing expenses

During the Year, the Group's administrative and marketing expenses decreased by approximately 3.4% from approximately RMB975.4 million in 2024 to approximately RMB942.2 million in 2025, mainly due to: (i) the Group's continuous cost reduction and efficiency enhancement with strict control of administrative expenses; and (ii) legal proceedings costs and tax late payment incurred in 2024 in relation to the enforcement by relevant banks of the pledge of RMB13.4 billion deposits (the “**Deposit Pledge Incident**”), for which there were no related expenses in during the Year.

Other income

During the Year, the Group's other income amounted to approximately RMB104.2 million, representing a year-on-year decrease of approximately 43.7% from approximately RMB185.3 million in 2024, mainly due to: (i) a decrease in tax preferential policy subsidies and government grants compared with the corresponding period in 2024; and (ii) deduction of relevant consideration in respect of certain acquired companies failing to meet performance guarantees in 2024, for which there was no related income during the Year.

Other losses

During the Year, the Group's net other losses amounted to approximately RMB31.3 million, representing a decrease of approximately RMB16.9 million compared with pproximately RMB48.2 million in 2024. This was mainly due to a decrease in impairment losses on goodwill and intangible assets during the Year.

Income tax expenses

During the Year, the Group's income tax expense amounted to approximately RMB348.6 million, representing a decrease of approximately 7.1% from approximately RMB375.3 million in 2024, mainly due to a decrease in profit before tax recorded during the Year compared with 2024.

Profit for the year

During the Year, the Group's net profit amounted to approximately RMB1,009.1 million, representing a decrease of approximately 2.2% from approximately RMB1,032.0 million in 2024. The net profit margin was approximately 7.4%, representing a decrease of approximately 0.7 percentage point from approximately 8.1% in 2024.

During the Year, profit attributable to owners of the Company amounted to approximately RMB986.6 million, representing a decrease of approximately 3.4% from approximately RMB1,021.0 million in 2024.

Property and equipment

The Group's property and equipment mainly comprises buildings, machinery, vehicles, furniture, fixtures and equipment.

As at 31 December 2025, the net carrying value of property and equipment of the Group amounted to approximately RMB82.0 million, representing an increase of approximately 20.7% from approximately RMB67.9 million as at 31 December 2024.

Intangible assets

The Group's intangible assets comprise computer software, property management contracts and customer relationships, and goodwill.

As at 31 December 2025, the Group's intangible assets amounted to approximately RMB1,380.0 million, representing a decrease of approximately RMB118.3 million from approximately RMB1,498.3 million as at 31 December 2024, mainly due to amortization and impairment of approximately RMB116.9 million recognized during the Year in respect of goodwill, property management contracts and customer relationships of acquired subsidiaries in previous years.

Trade and other receivables

As at 31 December 2025, the Group's trade receivables amounted to approximately RMB2,650.8 million, representing an increase of approximately RMB64.4 million from approximately RMB2,586.4 million as at 31 December 2024, mainly due to the expansion of the scale under management of the Group, resulting in an increase in the balance of trade receivables.

The Group's other receivables decreased by approximately RMB46.2 million from approximately RMB565.9 million as at 31 December 2024 to approximately RMB519.7 million as at 31 December 2025, mainly due to: (i) a decrease in advances made on behalf of property owners and third parties; and (ii) the Group's successful litigation in relation to the Deposit Pledge Incident and the recovery of approximately RMB24.0 million in acceptance fees advanced earlier for certain cases that had become effective during the Year.

Trade and other payables

Trade and other payables comprise trade payables, provisional receipts, deposits payable, consideration payable for mergers and acquisition, wages and benefits payable, dividends payable, tax payable and estimated liabilities.

As at 31 December 2025, the Group's trade payables amounted to approximately RMB1,887.3 million, representing an increase of approximately RMB120.6 million from approximately RMB1,766.7 million as at 31 December 2024, mainly due to the expansion of GFA under management and the increase in related trade payables for material procurement, maintenance works and so on for service quality enhancement.

Other payables decreased by approximately RMB386.8 million from approximately RMB2,531.3 million as at 31 December 2024 to approximately RMB2,144.5 million as at 31 December 2025 (of which long-term payables of approximately RMB75.0 million and current payables of approximately RMB2,069.5 million), mainly due to a decrease in the Group's payment of the consideration for business combinations and transactions with third parties in prior years.

Contract liabilities

Contract liabilities mainly arose from prepayments made by customers yet to be provided such as property management services, community living services, asset management services and community operation services. As at 31 December 2025, the Group's contract liabilities amounted to approximately RMB2,623.7 million, representing a decrease of approximately RMB131.3 million from approximately RMB2,755.0 million as at 31 December 2024, mainly due to a decrease in the prepayment for property service fees.

Current tax liabilities

As at 31 December 2025, the Group's current tax liabilities amounted to approximately RMB813.1 million, representing an increase of approximately RMB352.0 million from approximately RMB461.1 million as at 31 December 2024, mainly due to the increase in income tax liabilities arising from the profit during the Year.

Liquidity and financial resources

As at 31 December 2025, the Group's total bank deposits and cash (including cash and cash equivalents and restricted cash of the Group) amounted to approximately RMB4,310.5 million, representing an increase of approximately RMB1,475.6 million from approximately RMB2,834.9 million as at 31 December 2024, mainly due to the increase in net cash inflows generated from operating activities of the Group during the Year.

Of the Group's total bank deposits and cash, restricted bank deposits of approximately RMB120.9 million mainly represented the industry regulatory funds of Evergrande Insurance Agency Co., Ltd., deposits for the provision of property management services as required by local government authorities, cash restricted to projects managed on a remuneration basis only and funds for litigation preservation of some subsidiaries.

As at 31 December 2025, the Group's net current assets amounted to approximately RMB87.5 million (as at 31 December 2024: net current liabilities of approximately RMB968.6 million). The Group's current ratio (current assets/current liabilities) was approximately 1.01 times (as at 31 December 2024: 0.87 times).

As at 31 December 2025, the Group did not have any borrowings. Accordingly, the gearing ratio (calculated as total borrowings divided by total equity at the dates indicated) as at 31 December 2025 was nil (31 December 2024: nil).

MAJOR RISKS AND UNCERTAINTIES

The major risks and uncertainties faced by the Group are set forth below. Such factors are not exhaustive and therefore other risks and uncertainties may also exist.

Industry risks

The operation of the Group may be affected by the regulatory landscape of the industry and related measures. The main reason is that the fees charged by property management companies for management services are strictly monitored and supervised by relevant regulatory authorities. The business performance of the Group depends on the contracted GFA, the chargeable GFA under management and the number of projects under management, but the business growth are affected and will likely continue to be affected by the People's Republic of China (the "PRC") government's regulations on the industry where the Group belongs.

Business risks

The Group's ability to maintain or improve its current profit level depends on whether it can maintain or increase its current scale and effectively control operating costs. Affected by market conditions and related party issues, the Group may be unable to recover property service fees and other related revenue from customers, which may result in impairment losses on receivables; the Group cannot guarantee that it will obtain new property service contracts in accordance with its plans or on suitable terms and at suitable prices; the winding-up of the controlling shareholder may also lead to a change in the control of the Company, which may affect the stability of the Company's management team. In addition, the Group's profit margin and operating results may be materially and adversely affected by an increase in labour costs or other operating costs. All the above factors may have a material adverse impact on the Group's business, financial position and operating results.

Risks arising from related party issues

Affected by the liquidation of the controlling shareholder and the progress of its asset disposal, the Group may face the termination of certain preliminary property service contracts, may fail to realize the timely and effective conversion of contracted GFA, and changes to the business models of certain related party relevant businesses may result in a decline in the profitability of such businesses. Meanwhile, the promotion and sale of wealth management products to property owners by related parties in the past may have involved certain subsidiaries and employees of the Company. As certain wealth management products were overdue for payment, some employees had assisted relevant authorities in investigations. Issues such as the non-performance of property service fee commitments during related party property promotion activities have directly affected property owners' willingness to pay, adversely impacting the collection of property service fees from property owners and the recovery of receivables by the Company. As at the date hereof, the Board is still unable to accurately assess the specific impact that the above matters may have on the Group. The Company will continue to follow up on the matters and discharge its disclosure obligations in a timely manner in accordance with the Listing Rules.

Foreign exchange risks

The business of the Group is mainly located in PRC. Save for bank deposits denominated in foreign currencies, there is no major direct exchange rate fluctuation risk faced by the Group. During the Year, the Directors expected that the RMB exchange rate would not have a material adverse effect on the operations of the Group. Currently, the Group has not entered into contracts to hedge its exposure to foreign exchange risk, but the management will continue to monitor foreign exchange risks and adopt prudent measures to reduce potential exchange risks.

Risk of unrecoverable material losses

The Group has incurred significant losses (the “**Losses**”) as a result of the Deposit Pledge Incident, which had been fully provided for as impairment losses in 2021. The Group has filed proceedings against the China Evergrande Group (in liquidation) (“**China Evergrande**”) and the relevant responsible parties for the recovery of Losses with the Guangzhou Intermediate People’s Court of Guangdong Province in the PRC and obtained court judgements that the China Evergrande and the relevant responsible parties (except for Guangzhou Xinyuan) shall repay the deposit pledge amount and interest losses and bear the case handling fee. Among them, the judgements of Evergrande Hengkang 1.7 billion Proceeding, Evergrande Hengkang 1 billion Proceeding, Jinbi Hengying 1 billion Proceeding, Jinbi Hengying 0.7 billion Proceeding and Jinbi Property 2 billion Proceeding have become effective and the remaining cases are under appeal. The Group will make every effort to promote the enforcement work in accordance with the effective judgments of the court. However, subject to the current status of the China Evergrande and the relevant responsible parties, there are still material uncertainties as to the amount of Losses that could be recovered by the Group, and the Company will keep the market informed of any progress in a timely manner by way of publication of further announcement(s).

PLEDGE OF ASSETS

As at 31 December 2025, the Group had no pledged assets.

CONTINGENT LIABILITIES

As at 31 December 2025, the Group had no material contingent liabilities.

EMPLOYEES AND REMUNERATION POLICY

As of 31 December 2025, the Group had 100,567 employees. During the Year, the total staff costs were approximately RMB6,717.7 million.

The employees were remunerated in accordance with the Group’s remuneration and welfare policies with reference to the positions of employees, performance, profitability of the Company, industry level and market environment.

The Group has to participate in social insurance contribution plans or other retirement plans organized by local governments, and make contributions to social insurance funds monthly on behalf of employees for the payment of pension funds, medical insurance, work-related injury insurance, maternity insurance, unemployment insurance and housing provident funds, or make contributions to mandatory provident fund for employees regularly.

STAFF TRAINING AND DEVELOPMENT

Based on the three-level training mechanism of “headquarters-region-project”, the Group is committed to implementing a 3-year campus recruitment programme for management trainees, trainings for new employees and key talent trainings. The Group organizes and conducts trainings on various professional skills, general aptitude, management ability and corporate culture in accordance with our business development needs and employee career planning, in order to improve the comprehensive quality and work capabilities of employees.

During the Year, all staff participated in training, with a total of 0.70 million hours of training and an average of 7.0 hours of training per person.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the year ended 31 December 2025, the Group did not have any significant investment, material acquisition or disposal of subsidiaries, associates or joint ventures.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at 31 December 2025, the Group had no specific future plans for material investments or capital assets.

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 had purchased, sold or redeemed any of the Company’s listed securities (including sale or transfer of treasury shares).

As of 31 December 2025, the Company did not hold any treasury shares.

SHARE SCHEMES

The share option scheme was approved and adopted by the shareholders of the Company at the extraordinary general meeting of the Company held on 10 May 2021. No share options had been granted since the adoption of the share option scheme up to 31 December 2025.

Save as the above, the Company has not adopted any other share scheme.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed below, there have been no other material subsequent events that have occurred to the Group after 31 December 2025 and up to the date of this announcement.

Progress of Potential Transactions

The joint and several liquidators (the “**Liquidators**”) of China Evergrande and CEG Holdings (BVI) Limited (in liquidation) (“**CEG Holdings**”) have been seeking opportunities to sell, among other things, the shares in the Company held by China Evergrande and CEG Holdings (the “**Potential Transaction**”). As of the date of this announcement, the latest progress of the Potential Transaction is as follows: (i) the Liquidators are still considering the updated offer proposals received in January 2026, and are engaging in ongoing discussions with relevant bidders, including but not limited to addressing queries raised by such bidders in relation to the Potential Transaction; (ii) the Liquidators do not intend to consider any new non-binding indicative offers; (iii) the timing and details for entering the next phase of the process and for entering into any legally binding transaction document with respect to the Potential Transaction have yet to be finalised by the Liquidators. For details of the above matters, please refer to the Company’s announcements dated 11 September 2025, 15 October 2025, 14 November 2025, 19 December 2025, 13 January 2026, 6 February 2026 and 11 March 2026.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted the code provisions of the Corporate Governance Code (the “**CG Code**”) as set out in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) as the Company’s corporate governance code. For the year ended 31 December 2025, the Company has complied with all applicable code provisions of the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR 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 Company’s code of conduct securities transactions by the Directors. The Company has made specific enquiry of all the Directors and they have confirmed that they have complied with the requirements set out in the Model Code throughout the year ended 31 December 2025.

FINAL DIVIDEND

The Board does not recommend the payment of any final dividend for the year ended 31 December 2025 (year ended 31 December 2024: Nil).

ANNUAL GENERAL MEETING

A notice convening the annual general meeting of the Company will be published and despatched to the shareholders of the Company (if requested) in the manner prescribed under the Listing Rules in due course.

AUDIT COMMITTEE

In accordance with the requirements of the CG Code and the Listing Rules, the Company has established an audit committee (the “**Audit Committee**”) comprising three independent non-executive Directors, namely, Ms. Wen Yanhong (Chairperson of the Audit Committee), Mr. Peng Liaoyuan and Mr. Dong Xinyi. The Audit Committee and the management of the Company have considered and reviewed the accounting principles and practices adopted by the Group and have discussed matters relating to risk management, internal control and financial reporting, including the review of the consolidated audited financial statements of the Group for the year ended 31 December 2025. The financial information, including the comparative figures, have been reviewed by the Audit Committee.

SCOPE OF WORK OF PRISM

The Group’s auditor, Prism Hong Kong Limited (“**Prism**”), have reconciled the figures set out in the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes of the Group for the year ended 31 December 2025 as set out in this results announcement with the amounts set out in the Group’s audited consolidated financial statements for that year. The work performed by Prism 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 Prism on this results announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.evergrandeservice.com). The annual report of the Company for the year ended 31 December 2025 containing all the information required under the Listing Rules will be despatched to shareholders of the Company (if requested) and will be made available for review on the aforesaid websites in due course.

By order of the Board
Evergrande Property Services Group Limited
Duan Shengli
Chairman

Hong Kong, 27 March 2026

As at the date of this announcement, the Board comprises Mr. Duan Shengli, Mr. Han Chao and Mr. Hu Xu as executive Directors; Mr. Sang Quan and Mr. Lin Wuchang as non-executive Directors; and Mr. Peng Liaoyuan, Ms. Wen Yanhong, Mr. Dong Xinyi, Mr. Lam Wai Hon and Mr. Hoong Cheong Thard as independent non-executive Directors.