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Jiayuan Services Holdings Limited
佳源服務控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1153)

ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Jiayuan Services Holdings Limited (the “**Company**” or “**Jiayuan Services**”), is pleased to announce the audited consolidated financial results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025 together with the comparative figures for the year ended 31 December 2024 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

		Year ended 31 December	
		2025	2024
	Note	RMB'000	RMB'000
Revenue	4	821,237	858,780
Cost of services and sales		<u>(590,012)</u>	<u>(617,834)</u>
Gross profit		231,225	240,946
Other income and expenses, net	5	2,232	(8,926)
Other gains and losses, net	6	125	3,501
Impairment losses on financial assets		(88,834)	(87,174)
(Loss)/reversal of loss on unauthorised Pledged Shares		(21,552)	2,453
Reversal of loss/(loss) on unauthorised guarantee		109,340	(29,340)
Selling and marketing expenses		(6,845)	(7,022)
Administrative expenses		(70,638)	(80,816)
Finance costs	7	(664)	(1,190)
Share of results of associates		<u>(75)</u>	<u>(73)</u>
Profit before taxation		154,314	32,359
Income tax expense	10	<u>(22,782)</u>	<u>(19,067)</u>
Profit and total comprehensive income for the year	8	<u>131,532</u>	<u>13,292</u>
Profit and total comprehensive income for the year attributable to:			
– Owners of the Company		129,054	8,157
– Non-controlling interests		<u>2,478</u>	<u>5,135</u>
		<u>131,532</u>	<u>13,292</u>
Earnings per share attributable to owners of the Company (expressed in RMB per share)			
– Basic and diluted	11	<u>0.21</u>	<u>0.01</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

		As at 31 December	
		2025	2024
	Note	RMB'000	RMB'000
ASSETS			
Non-current assets			
Property and equipment		19,194	22,692
Right-of-use assets		1,825	2,301
Intangible assets		102,846	111,340
Interest in associates		1,360	1,435
Deferred income tax assets		75,471	68,758
		<u>200,696</u>	<u>206,526</u>
Current assets			
Inventories		944	680
Trade and other receivables	13	473,334	414,548
Restricted bank deposits		1,699	2,515
Cash and cash equivalents		33,927	60,762
		<u>509,904</u>	<u>478,505</u>
Total assets		<u>710,600</u>	<u>685,031</u>
EQUITY			
Deficit in equity attributable to owners of the Company			
Share capital		5,225	5,225
Reserves		(6,629)	(135,683)
		<u>(1,404)</u>	<u>(130,458)</u>
Non-controlling interests		<u>22,652</u>	<u>22,390</u>
Total equity/(total deficit in equity)		<u>21,248</u>	<u>(108,068)</u>

		As at 31 December	
		2025	2024
	Note	RMB'000	RMB'000
LIABILITIES			
Non-current liabilities			
Bank borrowings		–	6,454
Lease liabilities		1,376	1,826
Deferred income tax liabilities		418	1,086
		<u>1,794</u>	<u>9,366</u>
Current liabilities			
Contract liabilities		122,502	121,664
Bank borrowings		6,461	12,127
Lease liabilities		450	434
Provisions		68,414	199,202
Trade and other payables	14	390,279	373,674
Current income tax liabilities		99,452	76,632
		<u>687,558</u>	<u>783,733</u>
Total liabilities		<u>689,352</u>	<u>793,099</u>
Total equity and liabilities		<u><u>710,600</u></u>	<u><u>685,031</u></u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION AND REORGANISATION

Jiayuan Services Holdings Limited was incorporated in the Cayman Islands on 5 March 2020 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is at the office of Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, the Cayman Islands. On 9 December 2020, the Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") by way of initial public offering.

The Company is an investment holding company. The Group are principally engaged in the provision of property management services, value-added services to property developers and community value-added services in the People's Republic of China (the "**PRC**").

In the opinion of the Directors of the Company, Valuable Capital Limited ("**VCL**"), a limited company incorporated in Hong Kong, is the immediate holding company of the Company. Valuable Capital Group Ltd, a limited liability company incorporated in the Cayman Islands, is the ultimate holding company of the Company.

These consolidated financial statements for the year ended 31 December 2025 are presented in Renminbi ("**RMB**"), unless otherwise stated.

2 BASIS OF PREPARATION

The principal accounting policies applied in the preparation of the consolidated financial statements are in accordance with all applicable HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") as set out below. HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards ("**HKFRS**"); Hong Kong Accounting Standards ("**HKAS**"); and Interpretations. The consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). The consolidated financial statements have been prepared under the historical cost convention, except for contingent consideration payable that are measured at fair value.

2.1.1 Going concern basis

As at 31 December 2025, the Group had net current liabilities of approximately RMB177,654,000 and accumulated losses of approximately RMB426,799,000. Further, should the Pledged Shares be auctioned or sold, resulting in the Group losing control over Zhejiang Zhixiang Dacheng Property Services Group Co., Ltd (浙江智想大成物業服務集團有限公司) ("**Zhejiang Zhixiang Dacheng**"), previously known as Zhejiang Jiayuan Property Services Group Co., Ltd. (浙江佳源物業服務集團有限公司), ("**Zhejiang Jiayuan Services**"), an indirect wholly-owned PRC subsidiary of the Company and its subsidiaries, these entities will therefore be de-consolidated from the consolidated financial statements of Group in accordance with the requirements of HKFRS 10 Consolidated Financial Statements. These events and conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of its business. Notwithstanding the above, these consolidated financial statements have been prepared on a going concern basis as the Directors of the Company have given careful consideration to the impact of the current and anticipated future liquidity of the Group and the following:

- (i) The unconditional financial support from VCL, which has been obtained to procure the necessary finance and support to the Group for a period of not less than twelve months from the date of approval of the consolidated financial statements by the Board;

- (ii) The Board have reviewed the Group's cash flow forecast, prepared by management which covers a 15-month period from the end of the reporting period and will continue to assess the impact of any change in government policy, global financial market, the economy, and the business environment on the Group's operations. The Group will adjust its strategies for its property management businesses accordingly to generate sufficient operating cash flows to meet its current and future obligations;
- (iii) The contract liabilities of approximately RMB122,502,000 are non-financial liabilities and will be recognised as revenue in the subsequent year;
- (iv) The existing banking facilities available for the Group; and
- (v) Based on legal advice obtained regarding the unauthorised Pledged Shares, the Group possesses the options to participate in the auction or directly negotiate with the lender to settle the outstanding debt and secure the release of the Pledged Shares. Additionally, the Group reserves the right to challenge the auction process through legal avenues. The Board considers the Group will be able to recover the Pledged Shares and it will not result in a loss of control over Zhejiang Zhixiang Dacheng and its subsidiaries.

In addition, to improve the Group's financial position, the Directors of the Company are actively exploring different alternatives for equity or other financing.

Having taken into account the above, the Directors consider that the Group will have sufficient financial resources to meet in full its working capital requirements and financial obligations as and when they fall due within the next twelve months. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the management will be able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the Group's ability to generate adequate operating cash flows in the near future and obtain the continuous financial support from its beneficial owner, at a level sufficient to finance the working capital requirements of the Group.

Should the Group be unable to continue as a going concern, adjustments would have to be made to restate the values of the assets to their recoverable amounts, to provide for any further liabilities which might arise and to classify non-current assets and liabilities as current assets and liabilities respectively. The effects of these potential adjustments have not been reflected in these consolidated financial statements.

2.1.2 New and amended standards

(a) Amended standards adopted by the Group

The Group has adopted all of the new or amended HKFRS Accounting Standards and Interpretations issued by the HKICPA that are mandatory for the current reporting period. There was no material impact to the consolidated financial statements as a result of the adoption of these standards.

(b) Amended standards and interpretations not yet adopted

Up to the date of issue of these consolidated financial statements, the HKICPA has issued a number of new standards and amendments to standards and interpretation, which are not effective for the year ended 31 December 2025 and which have not been early adopted by the Group for the annual reporting period ended 31 December 2025. The Company's assessment of the impact of these new or amended HKFRS Accounting Standards and Interpretations, most relevant to the Company, are set out below:

	Effective for accounting periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7 – Classification and Measurements of Financial Instruments	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HK Int 5 – Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

The Directors of the Company are in the process of making an assessment of what the impacts of these new standards, amendments to standards and interpretation 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.

3 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Chief Operating Decision Maker (“**CODM**”). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive Directors of the Company.

The Group is principally engaged in the provision of property management services, value-added services to property developers and community value-added services in the PRC. The CODM reviews the operating results of the business of the Group as one operating segment to make decisions about resources to be allocated. Therefore, the CODM regards that there is only one operating segment which is used to make strategic decisions.

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

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

4 REVENUE

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Types of services		
Property management services	765,515	785,918
Value-added services to property developers	7,367	11,279
Community value-added services	48,355	61,583
	<u>821,237</u>	<u>858,780</u>
Revenue from contracts with customers is recognised:		
– Over time	812,644	848,248
– At a point in time	8,593	10,532
	<u>821,237</u>	<u>858,780</u>

None of the Group's customers contributed 10% or more of the Group's revenue during the years ended 31 December 2025 and 2024.

5 OTHER INCOME AND EXPENSES, NET

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Government grants	978	935
Value-added tax refund	564	654
Interest income	85	219
Late fees and penalties	(5,966)	(10,597)
Recovery of bad debt	5,817	1,968
Others	754	(2,105)
	<u>2,232</u>	<u>(8,926)</u>

For the years ended 31 December 2025 and 31 December 2024, the government grants were awarded to recognise the Group's past contribution to local economic growth. The grants, at the discretion of the relevant authorities, were accounted for as financial support with no future related costs expected to be incurred nor related to any assets. As such, the grants recognised in the consolidated statement of comprehensive income when the grants were received.

6 OTHER GAINS AND LOSSES, NET

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Exchange gains/(losses), net	1	(1)
Fair value gain on contingent consideration payable for business combination	–	649
Gains on disposals of subsidiaries	322	3,150
Gains/(losses) on disposals of property and equipment	16	(594)
Others	(214)	297
	<u>125</u>	<u>3,501</u>

7 FINANCE COSTS

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Interest expense on bank borrowings	590	1,183
Interest expense on lease liabilities	74	7
	<u>664</u>	<u>1,190</u>

8 PROFIT FOR THE YEAR

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Depreciation of right-of-use assets	476	79
Depreciation of property and equipment	4,321	5,850
Amortisation of intangible assets	9,632	9,476
Cost of inventories sold	5,647	5,856
Auditor's remuneration	2,000	2,300
Short-term lease expenses	2,229	2,755
	<u>22,285</u>	<u>26,315</u>

9 EMPLOYEE BENEFIT EXPENSES

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Wages, salaries and bonuses	294,674	310,179
Social insurance and housing provident fund contributions	46,566	51,094
Other benefits	18,665	25,563
	<u>359,905</u>	<u>386,836</u>

All employees of the subsidiaries in the PRC participate in employee social insurance plans established in the PRC, which cover pension, medical and other welfare benefits. The plans are organised and administered by the government authorities. Except for the contributions made to these social insurance plans, the Group has no other material commitments owing to the employees. According to the relevant regulations, the contributions paid by the Group are principally determined based on percentages of the basic salaries of employees, subject to certain ceilings imposed. These contributions are expensed as incurred.

During the years ended 31 December 2025 and 2024, the Group had no forfeited contribution which may be used by the Group to reduce the existing level of contributions. There were also no forfeited contributions available at 31 December 2025 and 2024 which may be used by the Group to reduce the contribution payable in the future years.

Contributions totalling RMB13,970,000 (2024: RMB14,461,000) were payable to the plans at the year-end.

10 INCOME TAX EXPENSE

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Current income tax charge	30,840	40,072
Deferred income tax credit	(8,058)	(21,005)
	<u>22,782</u>	<u>19,067</u>

Corporate income tax

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and is exempted from the Cayman Islands income tax.

No provision for Hong Kong profits tax has been made as the Group had no estimated assessable profit generated in Hong Kong for the year (2024: Nil).

Pursuant to PRC Corporate Income Tax Law and respective regulations, the corporate income tax provision of the Group in respect of operations in the PRC has been calculated at a rate of 25% on the respective taxable income for the year, unless it meets the conditions for other preferential tax treatment, such as entitled corporate income tax rate of 5% for Small and Micro Enterprises.

11 EARNINGS PER SHARE – BASIC AND DILUTED

(a) Basic 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 in issue during the respective years.

	Year ended 31 December	
	2025	2024
Profit attributable to owners of the Company (RMB'000)	<u>129,054</u>	<u>8,157</u>
Weighted average number of ordinary shares in issue (in thousands)	<u>611,709</u>	<u>611,709</u>
Basic earnings per share (RMB)	<u>0.21</u>	<u>0.01</u>

(b) Diluted earnings per share

Diluted earnings per share were the same as the basic earnings per share as there were no potentially dilutive ordinary shares outstanding during the years ended 31 December 2025 and 2024.

12 DIVIDENDS

The Board of Directors did not recommend the payment of any dividend for the years ended 31 December 2025 and 2024.

13 TRADE AND OTHER RECEIVABLES

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Trade receivables (a)	391,180	350,920
Other receivables (b)	72,494	56,602
Prepayments	<u>9,660</u>	<u>7,026</u>
Trade and other receivables	<u>473,334</u>	<u>414,548</u>

As at 31 December 2025 and 31 December 2024, most of the trade and other receivables were denominated in RMB, and the fair value of trade and other receivables approximated their carrying amounts.

(a) Trade receivables

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Trade receivables	698,102	644,230
Less: allowance for impairment	(306,922)	(293,310)
	<u>391,180</u>	<u>350,920</u>

Trade receivables mainly arise from property management services income under lump sum basis and value-added services to property developers. Property management services income under lump sum basis are received in accordance with the terms of the relevant service agreements. Service income from property management services are due for payment by the residents upon the issuance of demand note. No credit term is granted to Customers. The ageing analysis of the trade receivables based on invoice date and net of allowance for impairment is as follows:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
0-60 days	59,434	154,770
61-180 days	51,700	12,251
181-365 days	92,531	28,134
1-2 years	112,467	48,188
2-3 years	39,539	70,541
3-4 years	23,948	26,376
4-5 years	8,359	8,915
More than 5 years	3,202	1,745
	<u>391,180</u>	<u>350,920</u>

(b) Other receivables

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Other receivables	95,779	75,878
Less: allowance for impairment	(23,285)	(19,276)
	<u>72,494</u>	<u>56,602</u>

14 TRADE AND OTHER PAYABLES

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables (a)	<u>76,736</u>	<u>78,094</u>
Other payables		
– Utility and other charges	59,547	51,853
– Owners' maintenance fund	41,709	39,789
– Deposits received	77,592	84,042
– Loan from VCL	6,281	3,700
– Payroll payable	58,111	55,728
– Other taxes payables	16,470	16,964
– Others	53,833	43,504
	<u>313,543</u>	<u>295,580</u>
	<u>390,279</u>	<u>373,674</u>

(a) The ageing analysis of trade payables based on the invoice date is as follows:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
0-60 days	24,544	39,987
61-180 days	10,889	9,636
181-365 days	21,994	7,067
More than 1 year	19,309	21,404
	<u>76,736</u>	<u>78,094</u>
	<u>76,736</u>	<u>78,094</u>

AUDIT OPINION

The below sections set out an extract of the report by RSM Hong Kong regarding the Group's consolidated financial statements for the year ended 31 December 2025.

EXTRACT OF THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.1.1 to the consolidated financial statements, which indicates that as at 31 December 2025, the Group had net current liabilities of approximately RMB177,654,000 and accumulated losses of approximately RMB426,799,000, respectively. These conditions, along with other matters set forth in Note 2.1.1 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

CHAIRMAN'S STATEMENT

To the shareholders of the Company:

On behalf of the board (the "Board") of directors (the "Directors") of Jiayuan Services Holdings Limited (the "Company" or "Jiayuan Services", together with its subsidiaries, the "Group"), I am pleased to present the report on the annual results of the Group for the year ended 31 December 2025.

Over the past year, the property industry has embraced a historic turning point and opportunities. For the first time, property services have been integrated into the top-level design of the national "15th Five-Year Plan", which explicitly promotes the industry's transformation from traditional operation toward a modern, smart and green development model. This marks a pivotal upgrade of property services from a "logistical support function" to a "critical pillar of livelihood security and social governance". Of particular significance, the industry's regulatory philosophy has undergone a fundamental shift: the conceptual transition from "property management" to "property services" has been formally institutionalized. This not only clarifies the equal contractual relationship between property enterprises and owners, but also steers the industry toward a value-centric return, shifting its focus from "scale expansion" to "quality enhancement".

The past year represents the first full fiscal year since the Group's new controlling shareholder assumed control and completed the strategic restructuring of the Board. It also marks the first year that the Group separated from its former real estate system and evolved into a fully independent, market-oriented third-party property enterprise, a milestone year of transformation in the Group's development history. Thanks to the relentless dedication of all colleagues, the Group has delivered a pragmatic, steady and solid performance.

First, building on its established diversified and complementary governance structure, the Group further refined the management. While upholding overall operational stability, the Group established a collective decision-making mechanism for the management and optimized the division of responsibilities. These measures have not only strengthened alignment between the management team and regional subsidiaries, but also enhanced coordination between the management and the Board. The Group has thus built a modern governance system that balances scientific decision-making and robust operations, integrating diverse perspectives with professional expertise. This is exactly the core foundation for the Group to adapt to industry changes and pursue innovative growth. Second, the Group properly and efficiently resolved several major long-standing legacy issues. This has not only driven a substantial improvement in profitability for the current period, significantly optimized the asset-liability structure and consolidated the Group's financial footing, but also demonstrated the restructured Board's firm determination to address historical burdens and its forward-looking strategy for the Group to pursue development with a lighter balance sheet. Third, in line with prevailing industry development trends, the Group has remained committed to a high-quality development strategy. The Group has orderly exited low-quality projects lacking stable cash flow, while proactively expanding in the competitive market and optimizing the project portfolio. As a result, the Group has achieved simultaneous growth in both the scale and the "intrinsic value" of the managed properties. Lastly, amid evolving internal and external environments, the Group has maintained "uninterrupted, high-efficiency" daily operations across the organization while sustaining a high gross profit margin. This fully reflects the Group's outstanding cost control capabilities and premium service capacity supported by its mature operation and service system.

Looking ahead, the Board will further act as a vital bridge between shareholders and the Group. Leveraging the controlling shareholder's strengths in digital technologies and internet ecosystem resources, the Board will empower the Group to advance digital transformation in a targeted and efficient manner, and continuously expand the frontiers of smart services. Meanwhile, drawing on its diversified professional expertise, the Board will lead the Group in formulating more inclusive policies on workforce diversity, fostering a work environment that values differences and ensures equal opportunities. Furthermore, with extensive governance experience, the Board will guide the Group to achieve new breakthroughs in ESG practices, promote long-term value creation and sustainable development, and deliver shared benefits to all stakeholders.

As an ancient saying puts it: "concentrate all strength in one direction, and all gains will follow." We firmly believe that only through sustained value creation can an enterprise achieve enduring stability and prosperity. The Group now stands at a new historical starting point. We are confident and capable of reshaping value through professionalism and winning the future through quality services in this property service industry closely tied to people's well-being. The road ahead may be long and challenging, but progress begins with action; with unremitting perseverance, a bright future awaits.

By order of the Board
Jiayuan Services Holdings Limited
Chairman and Executive Director
Li Meng

MARKET REVIEW

Looking back on 2025, the national and local governments intensively issued policies and regulations governing the property industry. Against the policy backdrop of "Good House, Good Residential Complex, Good Community and Good Urban Areas" and "Quality Service", the property industry is under mounting pressure to improve service quality and operational efficiency. The industry's role as a key component of community-level governance and its public welfare nature have become even more prominent. The Ministry of Housing and Urban-Rural Development, together with other relevant authorities, has been advancing urban renewal initiatives, emphasizing the enhancement of housing design, construction, maintenance, and service levels across the entire value chain. Efforts continue to promote the implementation of enhancing housing quality and the initiative to improve property services, while accelerating the establishment of a comprehensive safety management system covering the full life-cycle of buildings. These efforts provide important guidance for relevant work deployments during the 15th Five-Year Plan period. Meanwhile, local authorities have carried out targeted rectification campaigns to address prominent issues in the property service sector, tightening regulations on the use of public proceeds and special maintenance funds for residential properties, while also driving improvements in service quality. These efforts are accelerating the upgrade of service models toward greater specialization, digitalization, and scenario-based applications. Property enterprises are rapidly transforming from traditional "gatekeepers" into key participants in urban governance.

BUSINESS REVIEW

As at 31 December 2025, the Group had 259 property management projects with contracted GFA of approximately 53.0 million sq.m., representing a decrease of approximately 3.7% and 2.9%, respectively, as compared with that of 269 property management projects with contracted GFA of approximately 54.6 million sq.m. in the corresponding period in 2024. As at 31 December 2025, the Group had GFA under management of approximately 45.7 million sq.m., representing an increase of approximately 5.1% as compared with that of approximately 43.5 million sq.m. in the corresponding period in 2024. The increase in GFA under management was attributable to the further delivery of reserved projects as well as newly won projects through continuous and effective bidding activities in the market.

The revenue of the Group for the year ended 31 December 2025 was approximately RMB821.2 million, representing a decrease of approximately 4.4% as compared to the corresponding period of approximately RMB858.8 million in 2024. The gross profit of the Group for the year ended 31 December 2025 was approximately RMB231.2 million, representing a decrease of approximately 4.0% as compared to the corresponding period of approximately RMB240.9 million in 2024. The gross profit margin of the Group for the year ended 31 December 2025 was approximately 28.2% compared with that of approximately 28.1% in the corresponding period in 2024. The Group's profit and total comprehensive income for the year increased significantly from approximately RMB13.3 million for the year ended 31 December 2024 to approximately RMB131.5 million for the year ended 31 December 2025.

In terms of the property management service business, revenue from property management services decreased by approximately 2.6% from approximately RMB785.9 million for the year ended 31 December 2024 to approximately RMB765.5 million for the year ended 31 December 2025, primarily attributable to the fact that the entry time of new projects is later than the exit time of phased-out projects.

In terms of value-added services to property developers, revenue from value-added services to property developers decreased by approximately 34.7% from approximately RMB11.3 million for the year ended 31 December 2024 to approximately RMB7.4 million for the year ended 31 December 2025, primarily attributable to the decrease in the number of venue services items.

In terms of community value-added services, revenue from community value-added services decreased by approximately 21.5% from approximately RMB61.6 million for the year ended 31 December 2024 to approximately RMB48.4 million for the year ended 31 December 2025, primarily due to the intensifying competition in the market of household consumption and the decrease in the unit price per resident to whom the Group provided community value-added services.

FINANCIAL REVIEW

Revenue

The revenue of the Group derives from three types of services: (i) property management services; (ii) value-added services to property developers; and (iii) community value-added services. The revenue of the Group decreased by approximately 4.4% from approximately RMB858.8 million for the year ended 31 December 2024 to approximately RMB821.2 million for the year ended 31 December 2025.

The following table sets forth the details of the Group's revenue by types of services for the years indicated:

	Year ended 31 December					
	2025		2024		Changes	
	<i>RMB'000</i>	%	<i>RMB'000</i>	%	<i>RMB'000</i>	%
Property management services	765,515	93.2	785,918	91.5	(20,403)	(2.6)
Value-added services to property developers	7,367	0.9	11,279	1.3	(3,912)	(34.7)
Community value-added services	48,355	5.9	61,583	7.2	(13,228)	(21.5)
	<u>821,237</u>	<u>100</u>	<u>858,780</u>	<u>100</u>	<u>(37,543)</u>	<u>(4.4)</u>

Property management services

Revenue from property management services decreased by approximately 2.6% from approximately RMB785.9 million for the year ended 31 December 2024 to approximately RMB765.5 million for the year ended 31 December 2025, primarily attributable to the fact that the entry time of new projects is later than the exit time of phased-out projects.

Value-added services to property developers

Revenue from value-added services to property developers decreased by approximately 34.7% from approximately RMB11.3 million for the year ended 31 December 2024 to approximately RMB7.4 million for the year ended 31 December 2025, primarily attributable to the decrease in the number of venue services items.

Community value-added services

Revenue from community value-added services decreased by approximately 21.5% from approximately RMB61.6 million for the year ended 31 December 2024 to approximately RMB48.4 million for the year ended 31 December 2025, primarily due to the intensifying competition in the market of household consumption and the decrease in the unit price per resident to whom the Group provided community value-added services.

Cost of services and sales

The cost of services and sales consists of (i) employee benefit expenses; (ii) maintenance expenses; (iii) expenses for utility; (iv) cleaning and security expenses; (v) greening and gardening expenses; (vi) taxes and surcharges; (vii) office and communication expenses; and (viii) other expenses such as depreciation and amortisation.

Cost of services and sales decreased by approximately 4.5% from approximately RMB617.8 million for the year ended 31 December 2024 to approximately RMB590.0 million for the year ended 31 December 2025, primarily due to the decrease of variable cost.

Gross profit and gross profit margin

The gross profit of the Group decreased by approximately 4.0% from approximately RMB240.9 million for the year ended 31 December 2024 to approximately RMB231.2 million for the year ended 31 December 2025, which was mainly due to the reduction of overall income.

The gross profit margin increased slightly from approximately 28.1% for the year ended 31 December 2024 to approximately 28.2% for the year ended 31 December 2025. Such an increase was primarily attributable to the increase of gross profit margin from property management services.

The following table sets forth the details of the Group's gross profit and gross profit margin by types of services for the years indicated:

	For the year ended 31 December			
	2025		2024	
	Gross profit RMB'000	Gross profit margin %	Gross profit RMB'000	Gross profit margin %
Property management services	209,296	27.3	207,493	26.4
Value-added services to property developers	1,447	19.6	2,218	19.7
Community value-added services	20,482	42.4	31,235	50.7
Total	231,225	28.2	240,946	28.1

Property management services

The gross profit margin of property management services increased slightly from approximately 26.4% for the year ended 31 December 2024 to approximately 27.3% for the year ended 31 December 2025. Such an increase was primarily attributable to the fact that the entry time of new projects is later than the exit time of phased-out projects.

Value-added services to property developers

The gross profit margin of value-added services to property developers decreased slightly from 19.7% for the year ended 31 December 2024 to approximately 19.6% for the year ended 31 December 2025.

Community value-added services

The gross profit margin of community value-added services decreased from approximately 50.7% for the year ended 31 December 2024 to approximately 42.4% for the year ended 31 December 2025, primarily due to the increase in the per unit fixed cost from community value-added services provided by the Group.

Other income and expenses, net

Other expenses, net turned from approximately RMB8.9 million for the year ended 31 December 2024 to other income, net approximately RMB2.2 million for the year ended 31 December 2025 mainly due to the increase of other income driven by enhanced efforts to collect bad debt.

Selling and marketing expenses

Selling and marketing expenses decreased from approximately RMB7.0 million for the year ended 31 December 2024 to approximately RMB6.8 million for the year ended 31 December 2025, representing a decrease of approximately 2.5%, mainly as a result of decreased community activities expenses in 2025 relative to 2024.

Administrative expenses

Administrative expenses decreased from approximately RMB80.8 million for the year ended 31 December 2024 to approximately RMB70.6 million for the year ended 31 December 2025, representing a decrease of approximately 12.6%. The decrease was mainly attributable to reduction of non-recurring expenses such as costs incurred for the resumption of trading, legal proceedings, and the reorganisation of the Board.

Finance costs

Finance costs represented interest expenses on bank borrowings and interest expenses on lease liabilities.

Income tax expenses

Income tax expenses was approximately RMB22.8 million for the year ended 31 December 2025, representing an increase from approximately RMB19.1 million for the year ended 31 December 2024, which was in line with the increase in profit before tax (excluding effect on unauthorised transactions) for the year.

Profit and total comprehensive income for the year

The profit and total comprehensive income for the year increased significantly from approximately RMB13.3 million for the year ended 31 December 2024 to approximately RMB131.5 million for the year ended 31 December 2025, mainly due to the reversal of losses on unauthorized guarantees.

The profit and total comprehensive income attributable to owners of the Company for the year increased significantly from approximately RMB8.2 million for the year ended 31 December 2024 to approximately RMB129.1 million for the year ended 31 December 2025.

Property and equipment

The property and equipment of the Group decreased from approximately RMB22.7 million as at 31 December 2024 to approximately RMB19.2 million as at 31 December 2025, representing a decrease of approximately 15.4%, mainly due to the yearly depreciation of office equipment and operation equipment.

Intangible assets

The intangible assets of the Group comprise property management contracts and goodwill resulting from equity acquisition and the purchase of software.

The intangible assets of the Group decreased from approximately RMB111.3 million as at 31 December 2024 to approximately RMB102.8 million as at 31 December 2025, representing a decrease of approximately 7.6%, mainly due to the yearly amortisation.

Trade and other receivables

Trade receivables mainly arise from provision of property management services, value-added services to property developers and community value-added services. Trade receivables of the Group, net of allowance for impairment, increased from approximately RMB350.9 million as at 31 December 2024 to approximately RMB391.2 million as at 31 December 2025, representing an increase of approximately 11.5%. Such an increase was primarily due to the reduction of collections for the year.

Other receivables mainly consist of deposits and payments made on behalf of customers. Other receivables, net of allowance for impairment increased from approximately RMB56.6 million as at 31 December 2024 to approximately RMB72.5 million as at 31 December 2025, representing an increase of approximately 28.1%, because of the increase in deposits paid to owner's committees on contract-awarding parties for newly secured project bids and occupancy.

Trade and other payables

Trade payables represent the obligations to pay for goods and services acquired in the ordinary course of business from sub-contractors. Trade payables decreased from approximately RMB78.1 million as at 31 December 2024 to approximately RMB76.7 million as at 31 December 2025, representing a decrease of approximately 1.8%. The decrease is mainly due to a slight decline in payables to outsourced security, cleaning, and certain operational supplies providers.

Other payables mainly represent (i) payroll payable; (ii) deposits received such as performance deposits, retention deposits from property owners, decoration deposits and tender bond; and (iii) owners' maintenance fund which represented various proceeds received on behalf of the property owners. Other payables increased from approximately RMB295.6 million as at 31 December 2024 to approximately RMB313.5 million as at 31 December 2025, mainly due to the Group collecting a certain amount or percentage of service performance deposits from outsourced units, such as fire protection maintenance and elevator maintenance providers, to ensure the quality of their services.

Contract liabilities

Contract liabilities mainly arise from property management fee received upfront as of the beginning of a billing cycle but are not recognised as revenue. Contract liabilities increased from approximately RMB121.7 million as at 31 December 2024 to approximately RMB122.5 million as at 31 December 2025, primarily due to enhanced efforts to collect the upfront property fee.

Liquidity, financial and capital resources

As at 31 December 2025, the total cash and cash equivalents and restricted bank deposits of the Group amounted to approximately RMB33.9 million (2024: RMB60.8 million) and approximately RMB1.7 million (2024: RMB2.5 million), respectively. The total bank deposits decreased by 43.7% throughout the corresponding periods.

As at 31 December 2025, the Group had bank borrowings of approximately RMB6.5 million (2024: RMB18.6 million), among which approximately RMB6.5 million (2024: RMB12.1 million) will be repayable within one year or on demand. As at 31 December 2025, all current bank borrowings of the Group were denominated in RMB and carried an effective interest rate of 3.9% (2024: 4.00%) per annum. As at 31 December 2025, bank borrowings of approximately RMB6.5 million were secured by 100% equity interest of Shanghai Jiayuan Baoji Property Services Co., Ltd. (2024: RMB18.6 million).

The Group's short-term liquidity position has strengthened compared to last year. As at 31 December 2025, the Group's net current liabilities amounted to approximately RMB177.7 million while the Group's net current liabilities amounted to approximately RMB305.2 million as at 31 December 2024. As at 31 December 2025, the Group's current ratio (current assets/current liabilities) was approximately 0.74 while the Group's current ratio was approximately 0.61 as at 31 December 2024.

As at 31 December 2025, the gearing ratio, calculated as the total liabilities divided by the total assets of the Group, was 97.0% (2024: 115.8%).

Future Prospects

In the year ahead, as the industry enters a new stage of high-quality development, we will take pragmatism and stability as our core theme, addressing real challenges while pursuing steady progress and continuous improvement. Customer satisfaction stands at the center of service delivery, and operational excellence follows our “success triangle (成功三角)” of a record-high collection rate, reasonable profit margins and healthy cash flow. Both service and management will be advanced with equal commitment and firm resolve. Specifically, we will act along the following strategic roadmap.

- (I) Anchoring our operations in safety. We will foster an enterprise-wide safety mindset of “life first, prevention foremost”. We will build a “full-cycle, all-factor” closed-loop risk management system and create a collaborative safety community with “multi-party coordination and broad participation”. We will establish a “comprehensive and systematic” safety guarantee mechanism to underpin all operations.
- (II) Centering our services on customers. We will embrace a long-term service philosophy and transition from a physical space manager to a community ecosystem builder. We will improve compliance service systems and frameworks, demonstrate a strong compliance image and deliver tangible value throughout service processes. We will also deepen emotional connections with stakeholders through comprehensive, multi-touchpoint and high-frequency engagement.
- (III) Focusing our operations on profitability. We will abandon unrealistic expectations of excessive profits and continuously optimize rational profit targets. We will renew our philosophy and refine our profitability evaluation mechanism based on industry characteristics and our actual conditions. We will implement refined management, optimize energy consumption controls, practice strict economy and eliminate unnecessary waste and operational loopholes.
- (IV) Managing revenue and expenditure around capital stability. We will align expenditure with revenue and arrange capital deployment rationally. We will use expenditure planning to drive fee collection, set scientific collection targets and assign clear accountability to individuals. We will strengthen oversight and dynamic adjustment of budget execution, backed by rigorous performance assessment and strong incentives to maintain a dynamic balance between operating revenue and expenditure.
- (V) Pursuing expansion through deep cultivation of our business. We will safeguard our core portfolio and build flagship projects to showcase service quality and earn market recognition. We will explore resources, be proactive in exploring new possibilities and establish honest, mutually beneficial and win-win partnerships across multiple channels. We will further optimize expansion incentives under the principle of pursuing profits supported by stable cash flow.
- (VI) Driving empowerment through digitalization. We will improve internal operational efficiency by phasing in digital systems for project management, staffing scheduling and cost control. We will target high-frequency service scenarios for owners and properly develop an integrated data chain covering the full cycle of “service demand – response and resolution – feedback and improvement”.

Capital commitments

As at 31 December 2025, the Group did not have any material capital commitments.

Contingent liabilities

In addition to the unauthorised Pledged Shares and unauthorised guarantee for which provisions have been made for with details of which are set out below, as at 31 December 2025, certain subsidiaries of the Company are defendants in various claims, lawsuits, arbitrations and potential claims relating to property management contract and employment dispute. The directors of the Company (the “**Director(s)**”) after due consideration of each case and with reference to legal advice, consider the claims not result in any material adverse impact on the consolidated position or results of operations of the Group.

Unauthorised shares pledged

As detailed in the announcements of the Company dated 25 September 2024 and 30 September 2024 and the notes to the audited consolidated financial results of the Group for the year ended 31 December 2022, during the Independent Internal Control Review, it was identified that during the financial year ended 31 December 2022, Zhejiang Heyuan Property Services Co., Ltd.* (浙江禾源物業服務有限公司) (“**Zhejiang Heyuan**”), an indirect wholly-owned PRC subsidiary of the Company, entered into the share pledge agreement (the “**Share Pledge Agreement**”) with Mr. Zang Ping (“**Mr. Zang**”), an independent third party, pursuant to which, among others, Zhejiang Heyuan agreed to pledge its equity interest in Zhejiang Jiayuan Property Services Group Co., Ltd. (浙江佳源物業服務集團有限公司) (currently known as Zhejiang Zhixiang Dacheng Property Services Group Co., Ltd (浙江智想大成物業服務集團有限公司), also an indirect wholly-owned PRC subsidiary of the Company) (“**Zhejiang Jiayuan Services**”) in the principal amount of RMB500,000,000, and all underlying interest thereof (the “**Pledged Shares**”) to Mr. Zang. The pledge was to secure the repayment obligation of Mr. Shum (as defined below), as borrower, in respect of the loan agreement dated 31 March 2022 entered into between (i) Mr. Zang as the lender; (ii) Mr. Shum Yuxing (沈玉興), also known as Mr. Shum Tin Ching (沈天晴) (“**Mr. Shum**”), the then ultimate controlling shareholder of the Company as at the material time of entering into of the Share Pledge Agreement, as the borrower; and (iii) Jiayuan Chuangsheng Holding Group Co., Ltd.* (佳源創盛控股集團有限公司) (“**Jiayuan Chuangsheng**”), a company ultimately and beneficially wholly-owned by Mr. Shum, as the guarantor in relation to the provision of the loan in the principal amount of RMB80,000,000.

Mr. Zang had brought a legal proceeding in the PRC against Mr. Shum and Jiayuan Chuangsheng in July 2022. In September 2022, a civil mediation paper was issued, affirming Mr. Zang’s right to enforce repayment of the loan’s principal and interest, and to receive preferential rights to proceeds from the auction or sale of pledged properties and the Pledged Shares. In March 2023, the court granted an enforcement order, and ordered for the resumption for the execution of such case to be resumed in March 2024. In July 2024, one of the pledged properties has been auctioned successfully and two additional pledged properties were auctioned by December 2025. There were no further actions taken on the remaining pledged properties and the Pledged Shares as at the date of this announcement.

The Group recognised a provision of approximately RMB68,414,000 for loss on unauthorised Pledged Shares as at 31 December 2025.

Unauthorised Guarantees to the then ultimate controlling shareholder

References are made to the announcements of the Company dated 13 November 2024 and 13 December 2024 (the “**Unauthorised Guarantee Announcements**”) in relation to, among others, the provision of the unauthorised guarantee by the Group to the then ultimate controlling shareholder during the year ended 31 December 2023.

Each of Jiayuan Chuangsheng (a company ultimately and beneficially wholly-owned by Mr. Shum), Zhejiang Heyuan (an indirect wholly-owned subsidiary of the Company) and Zhejiang Zhixiang Dacheng Property Services Group Co., Ltd.* (浙江智想大成物業服務集團有限公司) (formerly known as Zhejiang Jiayuan Services at the material time) (“**Zhejiang Zhixiang Dacheng**”) (an indirect wholly-owned subsidiary of the Company) has entered into the Guarantee Agreements with Shanghai Jinyuan Investment Centre (Limited Partnership)* (上海金轅投資中心(有限合夥)) (“**Shanghai Jinyuan**”) and Shanghai Zhijin, Asset Management Co., Ltd.* (上海智金資產管理有限公司) (“**Shanghai Zhijin**”), both independent third parties, pursuant to which, among others, each of Jiayuan Chuangsheng, Zhejiang Heyuan and Zhejiang Zhixiang Dacheng has agreed to provide joint liability guarantees for the payment obligations of Chaohu Xutong Business Management Co., Ltd.* (巢湖市旭彤商業管理有限公司) (“**Chaohu Xutong**”) under the equity transfer agreement dated 27 July 2023 entered into between Chaohu Xutong as transferee and Shanghai Jinyuan and Shanghai Zhijin as the transferors in relation to, among others, the transfer of the entire equity interest in Hefei Hongguo Hotel Management Co., Ltd.* (合肥弘果酒店管理有限公司) to Chaohu Xutong at a consideration of RMB123 million (the “**Consideration**”).

In December 2023, Shanghai Jinyuan and Shanghai Zhijin filed a request for arbitration (“**Arbitration Request**”) to the Shanghai Arbitration Commission (the “**SAC**”) requested, among others, (a) Chaohu Xutong to pay the Consideration; and (b) Jiayuan Chuangsheng, Zhejiang Heyuan and Zhejiang Zhixiang Dacheng to be jointly liable for the liability of Chaohu Xutong under the Equity Transfer Agreement.

In April 2024, the legal adviser of Zhejiang Heyuan and Zhejiang Zhixiang Dacheng, without being properly authorised, attended the arbitration hearing and entered into a settlement agreement (the “**Settlement Agreement**”). Subsequently, the SAC issued the Arbitration Mediation Statement ((2024) Huzhonganzi No. 0279 ((2024)滬仲案字第 0279 號)) to confirm the terms of the Settlement Agreement.

On 8 October 2024, based on the Arbitration Mediation Statement, the Shanghai No. 2 Intermediate People’s Court accepted the Arbitration Request and issued an enforcement notice (the “**Enforcement Order**”) to Zhejiang Heyuan and Zhejiang Zhixiang Dacheng ordering for the compulsory enforcement of the Arbitration Mediation Statement and certain bank accounts of Zhejiang Heyuan and Zhejiang Zhixiang Dacheng of up to the amount of approximately RMB124 million be frozen. The Board only became aware of the Arbitration Mediation Statement and the Enforcement Orders upon discovering that certain bank accounts of Zhejiang Heyuan and Zhejiang Zhixiang Dacheng have been frozen. In May 2025, Shanghai Jinyuan and Shanghai Zhijin as applicants and Chaohu Xutong, Jiayuan Chuangsheng, Zhejiang Heyuan and Zhejiang Zhixiang Dacheng as enforcees (the “**Enforcees**”) entered into an enforcement settlement agreement (the “**Enforcement Settlement Agreement**”), pursuant to which, among others, each of Shanghai Jinyuan and Shanghai Zhijin have agreed to settle all the obligations of the Enforcees under the Equity Transfer Agreement and the Guarantees in the amount of RMB86,000,000, of which (i) RMB43,000,000 were satisfied by Jiayuan Chuangsheng or its related parties by way of assignment of 1,034 car parking spaces; and (ii) the remaining RMB43,000,000 were satisfied by Zhejiang Heyuan and Zhejiang Zhixiang Dacheng in cash. In light of the entering into of the Enforcement Settlement Agreement, the Shanghai No. 2 Intermediate People’s Court lifted the Enforcement Order and concluded the execution of the relevant case in May 2025.

As a result, the Group recorded a reversal of loss on unauthorised guarantee amounting to RMB109,340,000 during the period, comprising (i) RMB66,340,000, being the difference between the provision and the settlement amount, and (ii) RMB43,000,000 attributable to the car parking spaces. The remaining provision of RMB43,000,000 was reclassified as other payables. By 31 December 2025, all of the unauthorised guarantee payables were settled in accordance with the terms of the Enforcement Settlement Agreement.

Save as disclosed above, as at 31 December 2025, the Group did not have any other material contingent liabilities.

Pledge of assets

As at 31 December 2025, the Group has the following pledge of material assets:

100% equity interest of the subsidiary, Shanghai Jiayuan Baoji Property Services Co., Ltd. was pledged as security for bank borrowings.

The Group has pledged the Pledged Shares as described in the subsection “Contingent liabilities – Unauthorised shares pledged” above.

Additional information on material uncertainty related to going concern

The Company’s auditor, RSM Hong Kong, issued a material uncertainty related to going concern for the year ended 31 December 2025. Details are disclosed in the Extract of the Independent Auditor’s Report on the Consolidated Financial Statements for the year ended 31 December 2025 above.

MAJOR RISKS AND UNCERTAINTIES

The main 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 PRC property management industry and related measures. In particular, any price control policies of the PRC government in relation to property management fees. The PRC government may also promulgate new laws and regulations related to other aspects of the Group’s industry. This could increase the compliance and operational costs of the Group, thereby materially and adversely affecting the business, financial condition and results of operations of the Group. A significant portion of the Group’s operations are concentrated in the Yangtze River Delta region. The Group is susceptible to any adverse development in government policies or business environment (including the level of economic activities and the future regional development prospects) in that region. The business performance of the Group depends on the total GFA under management and the number of projects under management. The Group has been seeking to expand the Group’s business since the Group’s inception through organic growth as well as acquisitions of and investment in other companies. However, the expansion plans of the Group may be affected by the economic condition in general of the PRC, market prospects and development. The Group cannot guarantee that the Group will be able to grow its business as planned.

Business risks

The Group's profitability depends on its ability to estimate or control the costs in performing our property management services. The Group's profit margin and operating results may be significantly and adversely affected by the increase in labor costs, sub-contracting costs and other operating costs. The Group may not be able to collect property management fees from property owners, residents and property developers and as a result, the Group's business, financial position and results of operations may be materially and adversely affected. The Group cannot guarantee that it is able to renew its existing property management service contracts on favorable terms. There is no guarantee that the Group would be able to find other business opportunities and enter into alternative property management service contracts on favorable terms, or at all.

Foreign exchange risk

Almost all of the Group's operating activities are carried out in the PRC with most of the transactions denominated in RMB. The Directors expected that the RMB exchange rate would not have any material adverse effect on the operations of the Group. The Group will closely monitor the fluctuations of the RMB exchange rate and adopt prudent measures to reduce potential foreign exchange risk. As at 31 December 2025, the Group did not engage in hedging activities for managing the foreign exchange risk.

Interest rate risk

Except for the interest-bearing bank borrowings, the Group was not exposed to material risk directly relating to changes in market interest rate as at 31 December 2025.

SIGNIFICANT INVESTMENT HELD

The Group had no significant investment held as at 31 December 2025.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group had no material acquisitions and disposals of subsidiaries, associates and joint ventures during the year ended 31 December 2025.

EMPLOYEES AND REMUNERATION POLICY

The Group had 5,494 full-time employees as at 31 December 2025 (31 December 2024: 5,841). The total staff costs for the year ended 31 December 2025 were approximately RMB359.9 million (2024: RMB386.8 million). Employees' remuneration package includes salary, performance bonus and other welfare subsidies. The remuneration of employees is determined in accordance with the Group's remuneration and welfare policies, the employees' positions, performance, company profitability, industry level and market environment.

STAFF TRAINING AND DEVELOPMENT

The Group regards optimising and perfecting its staff training course system as an essential task. We not only value the establishment and improvement of staff training standard system, but also strive to improve the overall quality and service level of staff through those measures. To meet the Group's needs for building its product system, we have continuously optimized our corporate culture and product training course system, enriched professional training content, and laid a solid foundation for the Group in talent reserve and motivation.

In 2025, focusing on the needs of the Company's product system development, we continuously optimized the corporate culture and product training course system, and further enriched the professional training content. In designing the training content, we developed a training system featuring "hierarchical and classified management and targeted empowerment" based on the growth needs and job characteristics of employees at different levels, including training for new hires and frontline employees, frontline management positions, and middle and senior management. In summary, through multi-scenario and immersive training design, we effectively helped frontline managers improve their situational responsiveness, team coaching capabilities and service quality control abilities, ensuring the standardization, efficiency and service quality of frontline operations, and consolidating the basic units of the Group's operations.

As at 31 December 2025, the total annual training hours amounted to 105,081 hours, representing an average of 16.43 training hours per employee, achieving full coverage of all staff. During the year, the Group organized four sessions of training programs for project leaders across the system and one special training session on human resources and administration, covering all middle managers with a total of 345 participants. Through such a training model of tiered instruction and targeted empowerment, the Group continuously aligned the personal growth of employees with the overall development of the Group, injecting a steady stream of talent impetus into the long-term sustainable development of the Group. It is expected that every employee will continuously improve themselves and contribute to the sustained development of the Group.

To ensure the quality and effectiveness of training, the Group has continuously enriched its training courses and teaching methods, with a focus on enhancing the practicality and interactivity of training. We have flexibly adopted various teaching methods including physical training, case studies, role-playing and simulation drills, aiming to help employees deepen their understanding of corporate culture, consolidate professional knowledge and strengthen practical skills, so as to effectively translate training outcomes into improved work efficiency and service quality. Through systematic training, we aim to standardize service processes and comprehensively enhance employees' service standards and professional capabilities, thereby driving the overall service quality of the Group to a new level. The Group has continued to improve its training evaluation system, dynamically optimized training programs in close connection with employees' actual needs and business development directions, and integrated training with employees' career development paths to achieve a win-win situation for individual growth and organizational development.

COMPLIANCE WITH LAWS AND REGULATIONS

The Board places emphasis on the Group's policies and practices on compliance with legal and regulatory requirements. External legal advisers are engaged to ensure transactions and businesses performed by the Group are within the applicable legal framework. Updates on applicable laws, rules and regulations are brought to the attention of relevant employees and operation units from time to time. The Group continues to comply with the relevant laws and regulations such as the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"), and other applicable laws and regulations. Based on information available, the Directors take the view that the Group has complied with the relevant laws and regulations that have a significant impact on the operations of the Group during the year ended 31 December 2025.

EVENTS AFTER THE END OF THE REPORTING PERIOD

There have been no significant matters subsequent to the reporting period and up to the date of this announcement.

DIVIDEND

The Board did not propose to declare a final dividend for the year ended 31 December 2025 (For the year ended 31 December 2024: Nil).

ANNUAL GENERAL MEETING

The forthcoming annual general meeting of the Company (the "**AGM**") will be held on Friday, 15 May 2026. The Notice of AGM will be published and despatched in the manner as required by the Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Tuesday, 12 May 2026 to Friday, 15 May 2026 (both dates inclusive), during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Monday, 11 May 2026.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

As of 31 December 2025, there were no treasury shares held by the Company.

CORPORATE GOVERNANCE PRACTICES

The Company and its management are committed to maintaining good corporate governance with an emphasis on the principles of transparency, accountability and independence to all Shareholders. The Company believes that good corporate governance is the essence of continual growth and enhancement of shareholders' value. The Company has applied the principles of and complied with the code provisions stipulated in the Corporate Governance Code and Corporate Governance Report (the “**CG Code**”) as set out in Appendix C1 to the Listing Rules during the year ended 31 December 2025 with the exception of code provision C.2.1 as explained below.

Code provision C.2.1 of the CG Code stipulates that the roles of the chairman and the chief executive officer should be separated and should not be performed by the same individual. Mr. Li Meng was appointed as the chairman of the Board with effect from 10 December 2024. Currently, no chief executive officer has been appointed by the Company. As all major decisions were made in consultation with members of the Board and relevant Board committee, and there have been three independent non-executive Directors on the Board offering independent perspective, the Board is therefore of the view that the current management structure can effectively facilitate the Group's operation and there are adequate safeguards in place to ensure sufficient balance of powers within the Board. The Board shall nevertheless review the structure and composition of the Board from time to time in light of prevailing circumstances, to maintain a high standard of corporate governance practices of the Company.

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 to the Listing Rules as the Company's code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Directors have confirmed that they have complied with the required standard of dealings as set out in the Model Code for the year ended 31 December 2025.

SCOPE OF WORK OF RSM HONG KONG

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income, and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditors, RSM Hong Kong, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by RSM Hong Kong in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by RSM Hong Kong on the preliminary announcement.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the knowledge of the Directors, the Company has maintained a sufficient public float as required under Rule 13.32B of the Listing Rules as at the date of this announcement.

AUDIT COMMITTEE

The Audit Committee of the Company has three members, comprising three independent non-executive Directors, namely Ms. Cui Yan (chairman of the Audit Committee), Mr. Zhang Chen and Mr. Cai Sitao. The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed with the management of the Company on financial reporting matters including a review of the annual results and the audited consolidated financial statements of the Group for the year ended 31 December 2025.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<http://jy-fw.cn>). The annual report of the Company for the year ended 31 December 2025 containing all the information required by the Listing Rules will be dispatched to the Shareholders and posted on the above websites in due course.

By order of the Board
Jiayuan Services Holdings Limited
Chairman and Executive Director
Li Meng

Hong Kong, 31 March 2026

As at the date of this announcement, the Board comprises six Directors, of which Mr. Li Meng (Chairman) and Mr. Xin Bing are the executive Directors, Ms. Ruan Hong is the non-executive Director, and Mr. Zhang Chen, Ms. Cui Yan and Mr. Cai Sitao are the independent non-executive Directors.