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Kangqiao Service Group Limited
康橋悅生活集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2205)

UPDATE ON LITIGATION INVOLVING A WHOLLY-OWNED SUBSIDIARY

This announcement is made by Kangqiao Service Group Limited (the "**Company**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated July 7, 2024, August 18, 2024, December 30, 2024, January 10, 2025, February 13, 2026 and April 15, 2026 (the "**Previous Announcements**") in respect of, among other things, the discovery of irregularities in the bank accounts of Kangqiao Yueshenghuo Service Group Co., Ltd.* (康橋悅生活服務集團有限公司), a wholly-owned subsidiary of the Company (the "**Subsidiary**"). Unless the context otherwise requires, capitalized terms used herein shall have the same meanings as those defined in the Previous Announcements.

As disclosed in the Previous Announcements, the Subsidiary received the Second Civil Judgment pursuant to which the Purported Promissory Letter was held to be legally enforceable and the Subsidiary was found liable for RMB473.7 million, being the principal amount under certain loan agreements entered into by Henan Chengqiao, together with interest accrued at the agreed rate up to the date of repayment. The Company subsequently filed an application for retrial with The Supreme People's Court of the People's Republic of China in respect of the Second Civil Judgment.

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to update the shareholders of the Company that, according to an enforcement ruling dated April 29, 2026 (the "**Ruling**") issued by the Intermediate People's Court of Zhengzhou City, Henan Province* (河南省鄭州市中級人民法院), the court has taken enforcement measures against certain assets of the Subsidiary.

According to the Ruling, the court has deducted certain bank balances of the Subsidiary and related interest amounting to approximately RMB214.5 million and has obtained enforcement proceeds of approximately RMB17,600 in connection with three enforcement cases in which the Subsidiary acted as the applicant before the Erqi District People's Court of Zhengzhou City* (鄭州市二七區人民法院) and the People's Court of Xi County, Henan Province* (息縣人民法院). In addition, four vehicles registered under the name of the Subsidiary have been seized. As the Subsidiary does not have actual control over such vehicles, they are currently not available for disposal.

After taking the enforcement measures and exhausting available investigation procedures, the court did not identify any other assets of the Subsidiary available for enforcement and accordingly ruled to terminate the current enforcement procedure. The Bank retains the right to require the Subsidiary to continue performing its debt obligations, and the Subsidiary remains obligated to continue performing its obligations to the Bank.

As of the date of this announcement, the enforcement measures only involve certain bank balances, related interest, enforcement proceeds and the aforesaid vehicles of the Subsidiary. Accordingly, the Company currently expects that such enforcement measures will not have a material adverse impact on the business operations of the Group.

The Company is seeking legal advice in relation to the Ruling and will continue to monitor the developments of the retrial application and keep its shareholders and potential investors informed of any further material developments by way of further announcement(s) as and when appropriate.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

On behalf of the Board
Kangqiao Service Group Limited
SONG Gewei
Chairman

Hong Kong, May 4, 2026

As at the date of this announcement, the Board comprises Mr. SONG Gewei as the chairman and non-executive Director; Mr. DAI Wei, Mr. KANG Weiguo, Ms. WANG Na and Mr. SONG Xiangxi as the executive Directors; and Mr. KAM Hou Yin John, Dr. FAN Yun and Mr. WONG Yun Pun as the independent non-executive Directors.

** For identification purposes only*