世茂服務
SHIMAO SERVICE

SHIMAO SERVICES HOLDINGS LIMITED
世茂服務控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 873)

FURTHER INFORMATION IN RELATION TO THE 2025 ANNUAL REPORT OF THE COMPANY

Reference is made to the annual report of Shimao Services Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") for the year ended 31 December 2025 (the "**2025 Annual Report**"). Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the 2025 Annual Report.

The Company would like to provide further information in relation to the use of proceeds from the Listing and the Top-up Placing in the 2025 Annual Report, including (i) the utilised amount brought forward from the year ended 31 December 2024; (ii) the details of the use of such proceeds during the year ended 31 December 2025; and (iii) the breakdown on how such proceeds were utilized under the category of general working capital, which set out in the tables as follows:

(a) Use of Proceeds from the Listing

Intended use of net proceeds	**Allocation percentage %**	**Actual net proceeds from the Listing** *(RMB million)*	**Utilised amount up to 31 December 2024** *(RMB million)*	**Utilised amount during year ended 31 December 2025** *(RMB million)*	**Unutilised amount as at 31 December 2025** *(RMB million)*	**Expected timeline for utilizing remaining amount**
(1) To continue to expand business scale through multiple channels	**65%**	**3,332**	**3,332**	-	-	
- Acquire, invest in or cooperate with other property management companies	55%	2,819	2,819	-	-	
- Develop and launch municipal services	10%	513	513	-	-	

Intended use of net proceeds	Allocation percentage %	Actual net proceeds from the Listing *(RMB million)*	Utilised amount up to 31 December 2024 *(RMB million)*	Utilised amount during year ended 31 December 2025 *(RMB million)*	Unutilised amount as at 31 December 2025 *(RMB million)*	Expected timeline for utilizing remaining amount
(2) To diversify people-oriented and property oriented value-added service offerings	**15%**	**769**	**303**	**-**	**466**	2026
- Upgrade smart community solutions	10%	513	47	-	466	
- Offer more value-added services	5%	256	256	-	-	
(3) To improve the information technology system and smart technologies	**5%**	**256**	**237**	**19**	**-**	
- Upgrade enterprise resource planning system	2%	102	83	19	-	
- Optimize data middle office and big data analytics platforms	2%	102	102	-	-	
- Upgrade Mao Home (茂家) mobile application	1%	52	52	-	-	
(4) To attract and nurture talent	**5%**	**256**	**74**	**-**	**182**	2026
- Recruit external talent and promote internal talent	2%	102	74	-	28	
- Further improve training programs and strengthen employee development	1%	52	-	-	52	
- Establish a new system with new business lines, talent and structure	2%	102	-	-	102	
(5) For general working capital and other general corporate purposes	**10%**	**513**	**213**	**-**	**300**	2026
- Market expansion and brand promotion	3.6%	184	184	-	-	
- Information system operations and maintenance	6.4%	329	29	-	300	
Total	**100%**	**5,126**	**4,159**	**19**	**948**	

(b) Use of Proceeds from the Top-up Placing

Intended use of net proceeds	Allocation percentage %	Actual net proceeds from the Top-Up Placing *(RMB million)*	Utilised amount up to 31 December 2024 *(RMB million)*	Utilised amount during year ended 31 December 2025 *(RMB million)*	Unutilised amount as at 31 December 2025 *(RMB million)*	Expected timeline for utilising remaining amount
(1) Potential M&A	**80%**	**1,140**	**609**	**531**	**-**	
- Acquire, invest in or cooperate with other property management companies	80%	1,140	609	531	-	
(2) Business expansion	**10%**	**143**	-	**-**	**143**	2026
- Expansion of new value-added services	10%	143	-	-	143	
(3) General working capital and other general corporate purposes	**10%**	**143**	-	**143**	**-**	
- Market expansion and brand promotion	10%	143	-	143	-	
Total	**100%**	**1,426**	**609**	**674**	**143**	

The abovementioned net proceeds from the Listing and the Top-up Placing had been utilised in accordance with the intended use of proceeds and allocation percentage as previously disclosed in the Prospectus and the announcements of the Company dated 20 October 2021 and 2 November 2021 (the "**Announcements**") respectively, save for the expected timeline for utilising the remaining unutilised amounts from the Listing and the Top-up Placing has been extended to 2026, in which there has been a delay in the expected timeline for utilising the allocated net proceeds compared to the original expected timeline as previously disclosed in the Prospectus and the Announcements.

Reasons for the Delay in the Use of Proceeds

The reasons for the delay in the use of proceeds from the Listing and the Top-up Placing are primarily due to (1) the overall external environment of the property management industry has undergone significant changes over time since the Company's Listing and the completion of the Top-up Placing. The industry has shifted from rapid expansion to a focus on operational quality, and the uncertainty about the valuation and quality of mergers and acquisitions ("**M&A**") targets has increased. In light of this, the Group carefully screens M&A targets and investment opportunities that offer reasonable returns and manageable risks, and would rather postpone investments than make inefficient ones; (2) the Group has proactively optimised its business structure and scaled back certain non-core business operations in response to changes in the real estate industry environment. Consequently, the originally planned large-scale recruitment of external talent has decreased accordingly and the focus has shifted to internal training and skill development, thus, the pace of hiring has slowed down; and (3) the Group prudently allocates funds in a timely manner based on actual needs under the uncertainties surrounding the changing market condition. The Group currently maintains abundant operating cash flow, it will utilise the proceeds as business expenses are actually incurred, and the unutilised proceeds has been deposited in full in interest-bearing accounts at licensed banks, ensuring the safety of untilised amount.

In view of the above, the Company has extended the estimated timeline for utilising the allocated but unutilised net proceeds from the Listing and the Top-up Placing to 2026, and considers that such extension of the expected timeline will not have any material adverse impact on the existing business and operations of the Group and is in the best interest of the Company and its shareholders as a whole. As the current expected timeline for utilising the remaining net proceeds is based on the estimation of the present and future business market situations made by the Group assuming there are not any unforeseeable circumstances, therefore, it may be subject to change based on the future development of the market conditions.

The supplemental information provided in this announcement does not affect any other information contained in the 2025 Annual Report. Save as disclosed above, all other information in the 2025 Annual Report remains unchanged.

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

Hong Kong, 9 September 2026

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