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碧桂园服务
COUNTRY GARDEN SERVICES

COUNTRY GARDEN SERVICES HOLDINGS COMPANY LIMITED

碧桂园服务控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6098)

**ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

RESULTS HIGHLIGHTS

	Year ended 31 December		
	2025	2024	Change
	<i>(RMB million, unless otherwise stated)</i>		
Revenue	48,353.7	43,992.9	9.9%
Gross profit	8,455.9	8,400.6	0.7%
General and administrative expenses ratio	9.5%	10.1%	-0.6 percentage point
Net profit	598.9	1,874.5	-68.1%
Profit attributable to the owners of the Company	601.5	1,808.4	-66.7%
Core net profit* attributable to the owners of the Company	2,519.0	3,038.1	-17.1%
Total amount of dividends	1,511.4	988.9	522.5 million
Net cash generated from operating activities/core net profit* attributable to the owners of the Company	1.0	1.3	-0.3
Revenue-bearing gross floor area (“GFA”) of the property management services other than the “Three Supplies and Property Management” business (million sq.m.)	1,070.4	1,036.9	33.5
Revenue-bearing GFA of the property management services of the “Three Supplies and Property Management” business (million sq.m.)	88.8	90.3	-1.5

As at 31 December 2025, the bank deposits (being cash and cash equivalents, time deposits and restricted bank deposits) and structured deposits of the Group were approximately RMB17,931.0 million (as at 31 December 2024: approximately RMB18,178.6 million).

In addition, with reference to the announcement of the Company dated 27 March 2025 regarding its intention to conduct on-market share repurchase and/or purchase, during the period from 28 March 2025 to 12 February 2026, the Company repurchased 87,996,000 shares of the Company in the open market at a total consideration (including transaction costs) of approximately RMB502.9 million, and the repurchased shares have been cancelled.

* Core net profit attributable to the owners of the Company excluding share-based payment expenses, amortisation charges of intangible assets — contracts and customer relationships, insurance brokerage licenses and brands arising from mergers and acquisitions, impairment of goodwill and other intangible assets, impairment of loans to third parties pledged by equities, gains or losses from disposal of subsidiaries, expected losses on external guarantee, impairment provision or reversal of receivables from related parties, gains or losses on fair value changes of contingent considerations related to performance guarantees and the impact of the related income tax expenses and non-controlling interests arising from the aforementioned adjustments.

The board (the “**Board**”) of directors (the “**Director(s)**”) of Country Garden Services Holdings Company Limited (the “**Company**” or “**CG Services**”) announces the audited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025 (the “**Year**” or the “**current year**”) as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	<i>Notes</i>	Year ended 31 December	
		2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue	5	48,353,748	43,992,889
Cost of providing services		(37,483,377)	(33,482,191)
Cost of sales of goods		(2,414,429)	(2,110,091)
Gross profit		8,455,942	8,400,607
Selling and marketing expenses		(290,439)	(373,196)
General and administrative expenses		(4,614,582)	(4,442,718)
Impairment of goodwill and other intangible assets	12	(968,891)	(990,000)
Net impairment losses on financial and contract assets		(1,539,525)	(663,717)
Other income	6	176,500	254,413
Other (losses)/gains — net	7	(189,732)	484,722
Operating profit		1,029,273	2,670,111
Finance income	8	265,461	217,255
Finance costs	8	(126,417)	(169,100)
Finance income — net	8	139,044	48,155
Share of results of investments accounted for using the equity method		(49,688)	(11,560)
Profit before income tax		1,118,629	2,706,706
Income tax expense	9	(519,730)	(832,198)
Profit for the year		598,899	1,874,508
Profit attributable to:			
— Owners of the Company		601,497	1,808,357
— Non-controlling interests		(2,598)	66,151
		598,899	1,874,508

		Year ended 31 December	
		2025	2024
	<i>Notes</i>	RMB'000	RMB'000
Other comprehensive income			
Item that may be reclassified to profit or loss:			
— Currency translation differences		2,294	(8,447)
Item that will not be reclassified to profit or loss:			
— Changes in fair value of financial assets at fair value through other comprehensive income		(76,964)	113,397
Total other comprehensive income for the year, net of income tax		(74,670)	104,950
Total comprehensive income for the year		524,229	1,979,458
Total comprehensive income attributable to:			
— Owners of the Company		526,827	1,913,307
— Non-controlling interests		(2,598)	66,151
		524,229	1,979,458
Earnings per share for profit attributable to owners of the Company (expressed in RMB cents per share)			
— Basic	<i>10</i>	18.04	54.16
— Diluted	<i>10</i>	17.94	54.16

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		At 31 December	
		2025	2024
		RMB'000	RMB'000
	<i>Notes</i>		
ASSETS			
Non-current assets			
Property, plant and equipment		1,733,132	1,702,482
Other right-of-use assets		411,583	420,609
Investment properties		1,526,224	1,697,824
Intangible assets	<i>12</i>	20,197,041	22,162,313
Investments accounted for using the equity method		396,887	533,497
Financial assets at fair value through other comprehensive income	<i>13</i>	452,401	556,740
Contract assets		3,784	73,320
Trade and other receivables	<i>14</i>	1,126,459	282,769
Deferred income tax assets		1,484,150	1,130,244
Time deposits		1,596,236	466,281
		28,927,897	29,026,079
Current assets			
Inventories		753,426	613,242
Other current assets		913,433	344,020
Trade and other receivables	<i>14</i>	23,325,800	22,680,328
Financial assets at fair value through profit or loss	<i>15</i>	2,347,620	580,033
Contingent consideration receivables	<i>15</i>	289,458	298,508
Restricted bank deposits	<i>16</i>	1,048,222	560,016
Time deposits		2,382,960	1,815,080
Cash and cash equivalents	<i>16</i>	11,851,493	15,337,225
		42,912,412	42,228,452
Total assets		71,840,309	71,254,531

		At 31 December	
		2025	2024
	<i>Notes</i>	RMB'000	RMB'000
EQUITY			
Equity attributable to owners of the Company			
Share capital and share premium	17	26,157,811	26,521,871
Other reserves		841,501	597,476
Retained earnings		8,958,978	9,497,683
		35,958,290	36,617,030
Non-controlling interests		2,392,247	2,461,692
Total equity		38,350,537	39,078,722
LIABILITIES			
Non-current liabilities			
Bank and other borrowings	19	1,243,210	518,125
Lease liabilities		987,325	1,726,309
Deferred income tax liabilities		1,318,472	1,598,912
		3,549,007	3,843,346
Current liabilities			
Contract liabilities		8,877,892	8,245,315
Trade and other payables	18	19,877,812	18,823,788
Current income tax liabilities		622,333	707,579
Bank and other borrowings	19	383,569	352,131
Lease liabilities		179,159	203,650
		29,940,765	28,332,463
Total liabilities		33,489,772	32,175,809
Total equity and liabilities		71,840,309	71,254,531

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Country Garden Services Holdings Company Limited (the “**Company**”) was incorporated in the Cayman Islands on 24 January 2018 as an exempted company with limited liability under the Companies Act (Cap. 22, Law 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 is an investment holding company. The Company and its subsidiaries (the “**Group**”) are principally engaged in provision of property management services, community value-added services, value-added services to non-property owners, heat supply services, environmental business and commercial operational services in the People’s Republic of China (the “**PRC**”).

The Company’s shares (the “**Shares**”) are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

These consolidated financial statements for the year ended 31 December 2025 are presented in Renminbi (“**RMB**”), unless otherwise stated. RMB is also the functional currency of the Company. These consolidated financial statements have been approved for issue by the board of directors of the Company on 27 March 2026.

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRSs**”)

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKAS 21	Lack of Exchangeability ³
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 ³
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	Annual Improvements to HKFRS Accounting Standards — Volume 11 ²
HKFRS 18	Presentation and Disclosure in Financial Statements ³

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

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

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

Except for the new and amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 “Presentation and Disclosure in Financial Statements”, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 “Presentation of Financial Statements”. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” and HKFRS 7 “Financial Instrument: Disclosures”. Minor amendments to HKAS 7 “Statement of Cash Flows” and HKAS 33 “Earnings per Share” are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group’s consolidated financial statements.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

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

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

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group’s accounting policies, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(a) *Expected credit losses on trade receivables*

The Group makes allowances on trade receivables based on assumptions about risk of default and expected loss rates. The Group used judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group’s past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Specifically,

- for credit-impaired trade receivables, the Group evaluated the distribution of expected cash flows under multiple scenarios based on experience of historical credit loss, business model, current situations and forecasts of future conditions of contract counterparties under different scenarios, and made corresponding loss allowance according to expected credit loss rate and the related probability weight under different scenarios. Expected credit losses (“**ECL**”) were recognised on an individual basis and loss allowances were made on an individual basis.
- For non-credit impaired trade receivables, the Group assessed the ECL of these trade receivables collectively by grouping the debtors based on their shared credit risk characteristics and aging periods, and based on the assumptions about risk of default and expected credit loss rates. The Group used judgment in making these assumptions and selecting the inputs to the impairment of ECL calculation, based on the Group’s past history, aging profile of the trade receivables, existing market conditions as well as forward looking estimates at the end of each reporting period.

As at 31 December 2025, after taking into account accumulated impairment losses of RMB3,931,277,000 (2024: RMB3,454,760,000), the aggregate carrying amount of trade receivables was RMB18,806,816,000 (2024: RMB17,689,372,000).

(b) Goodwill impairment assessment

For the purposes of goodwill impairment assessment, management assessed the impairment of goodwill by determining the recoverable amounts of the cash generating-units (“CGU”) based on higher of fair value less costs of disposal (“FVLCD”) and value in use. The goodwill impairment assessment calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Significant judgments and estimates were involved in the goodwill impairment assessment. These significant judgments and estimates include the adoption of appropriate valuation model and methodology and the use of key assumptions in the valuation, which primarily include revenue growth rates, gross profit margins, earnings before interest, taxes, depreciation and amortization (“EBITDA”) margins, terminal growth rate and discount rates. The use of key assumptions in the fair value calculation primarily includes price-to-earnings ratio, discount for lack of marketability. See note 12 for more details.

5. REVENUE AND 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 segment, has been identified as the executive directors of the Company.

The Group was principally engaged in the provision of property management services, community value-added services, value-added services to non-property owners, water, electricity and heat supplies and property management services under the state-owned enterprises separation and reform program (hereinafter referred to as “**Three Supplies and Property Management**”), environmental business and commercial operational services in the PRC.

Due to the reorganization of the business units and change in internal reporting during the fiscal year 2025, the Group identified the following four operating segments, which were used to make strategic decisions by the CODM. The change in segment reporting was reflected retrospectively and is presented in the note 5.

- Property management and related services business other than Three Supplies and Property Management business, which include property management services, community value-added services, value-added services to non-property owners and others (the “**Property Management Services Business**”);
- Three Supplies and Property Management business;
- Environmental business (the main business of the former city services business), which include sanitation, cleaning, sewage and waste treatment business; and
- Commercial operational services business.

The CODM assesses the performance of the operating segments based on a measure of operating profit, adjusted by excluding realised and unrealised gains from financial assets at fair value through profit or loss (“FVPL”), and including share of results of investments accounted for using the equity method.

Segment assets consist primarily of property, plant and equipment, other right-of-use assets, investment properties, intangible assets, investments accounted for using the equity method, contract assets, inventories, receivables, and operating cash. They exclude deferred income tax assets, financial assets at fair value through other comprehensive income (“FVOCI”) and financial assets at FVPL (exclude the contingent consideration receivables). Segment liabilities consist primarily of operating liabilities. They exclude current and deferred income tax liabilities and bank and other borrowings.

Capital expenditure comprises additions to property, plant and equipment, other right-of-use assets, investment properties and intangible assets.

Revenue mainly comprises of proceeds from provision of property management services, community value-added services, value-added services to non-property owners, heat supply services, environmental business and commercial operational services. An analysis of the Group's revenue by category for the years ended 31 December 2025 and 2024 was as follows:

	Year ended 31 December	
	2025	2024
	RMB'000	<i>RMB'000</i>
		(restated)
Revenue from property management and related services business other than “Three Supplies and Property Management” business		
— Property management services	27,929,626	26,021,931
— Community value-added services	4,416,495	4,208,053
— Value-added services to non-property owners	630,253	705,223
— Other services	135,407	232,918
	33,111,781	31,168,125
Revenue from “Three Supplies and Property Management” business		
— Property management and other related services	9,578,728	6,539,290
— Heat supply services	1,687,537	1,616,953
	11,266,265	8,156,243
Revenue from environmental business	3,355,305	4,041,529
Revenue from commercial operational services business	620,397	626,992
	48,353,748	43,992,889

(a) **Segment information**

The segment information provided to the CODM for the year ended 31 December 2025 is as follows:

	Year ended 31 December 2025				
	Property management and related services business other than Three Supplies and Property Management business <i>RMB'000</i>	Three Supplies and Property Management business <i>RMB'000</i>	Environmental business <i>RMB'000</i>	Commercial operational services business <i>RMB'000</i>	Total <i>RMB'000</i>
Revenue from contracts with customers	33,112,584	11,269,903	3,361,642	463,976	48,208,105
Recognised over time	31,200,331	10,497,017	3,152,809	459,983	45,310,140
Recognised at a point time	1,912,253	772,886	208,833	3,993	2,897,965
Revenue from other source	—	—	—	156,733	156,733
Rental income	—	—	—	156,733	156,733
Total segment revenue	33,112,584	11,269,903	3,361,642	620,709	48,364,838
Less: inter-segment revenue	(803)	(3,638)	(6,337)	(312)	(11,090)
Revenue from external customers	<u>33,111,781</u>	<u>11,266,265</u>	<u>3,355,305</u>	<u>620,397</u>	<u>48,353,748</u>
Segment results	<u>956,798</u>	<u>130,219</u>	<u>(172,305)</u>	<u>11,854</u>	<u>926,566</u>
	Year ended 31 December 2025				
	Property management and related services business other than Three Supplies and Property Management business <i>RMB'000</i>	Three Supplies and Property Management business <i>RMB'000</i>	Environmental business <i>RMB'000</i>	Commercial operational services business <i>RMB'000</i>	Total <i>RMB'000</i>
Share of results of investments accounted for using the equity method	(49,753)	(10,665)	10,730	—	(49,688)
Depreciation and amortisation charges	1,275,454	201,680	408,139	113,286	1,998,559
Net impairment losses on financial and contract assets	1,312,763	(4,281)	190,147	40,896	1,539,525
Impairment of goodwill and other intangible assets	—	—	968,891	—	968,891
Capital expenditure	<u>1,091,538</u>	<u>258,285</u>	<u>225,676</u>	<u>31,807</u>	<u>1,607,306</u>

At 31 December 2025

	Property management and related services business other than Three Supplies and Property Management business RMB'000	Three Supplies and Property Management business RMB'000	Environmental business RMB'000	Commercial operational services business RMB'000	Total RMB'000
Segment assets	<u>54,641,653</u>	<u>5,269,948</u>	<u>6,353,569</u>	<u>1,290,968</u>	<u>67,556,138</u>
Investments accounted for using the equity method	<u>338,828</u>	<u>20,916</u>	<u>37,143</u>	<u>—</u>	<u>396,887</u>
Segment liabilities	<u>21,470,516</u>	<u>4,757,772</u>	<u>2,345,410</u>	<u>1,348,490</u>	<u>29,922,188</u>

The segment information provided to the CODM for the year ended 31 December 2024 is as follows:

	Year ended 31 December 2024 (restated)				
	Property management and related services business other than Three Supplies and Property Management business RMB'000	Three Supplies and Property Management business RMB'000	Environmental business RMB'000	Commercial operational services business RMB'000	Total RMB'000
Revenue from contracts with customers	31,169,939	8,156,680	4,047,078	491,482	43,865,179
Recognised over time	29,953,170	7,156,915	3,933,814	483,342	41,527,241
Recognised at a point time	1,216,769	999,765	113,264	8,140	2,337,938
Revenue from other source	—	—	—	182,675	182,675
Rental income	—	—	—	182,675	182,675
Total segment revenue	<u>31,169,939</u>	<u>8,156,680</u>	<u>4,047,078</u>	<u>674,157</u>	<u>44,047,854</u>
Less: inter-segment revenue	<u>(1,814)</u>	<u>(437)</u>	<u>(5,549)</u>	<u>(47,165)</u>	<u>(54,965)</u>
Revenue from external customers	<u>31,168,125</u>	<u>8,156,243</u>	<u>4,041,529</u>	<u>626,992</u>	<u>43,992,889</u>
Segment results	<u>2,327,834</u>	<u>83,992</u>	<u>192,018</u>	<u>73,001</u>	<u>2,676,845</u>

	Year ended 31 December 2024 (restated)					
	Property management and related services business other than	Three Supplies and Property Management business	Three Supplies and Property Management business	Environmental business	Commercial operational services business	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Share of results of investments accounted for using the equity method	(12,616)	(4,127)	5,174	9	(11,560)	
Depreciation and amortisation charges	1,363,763	149,838	360,895	114,013	1,988,509	
Net impairment losses on financial and contract assets	617,042	9,322	34,805	2,548	663,717	
Impairment of goodwill and other intangible assets	—	—	990,000	—	990,000	
Capital expenditure	1,331,305	236,244	147,412	418,113	2,133,074	

	At 31 December 2024 (restated)					
	Property management and related services business other than	Three Supplies and Property Management business	Three Supplies and Property Management business	Environmental business	Commercial operational services business	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment assets	55,827,060	4,066,678	6,517,097	2,576,679	68,987,514	
Investments accounted for using the equity method	400,857	105,492	26,898	250	533,497	
Segment liabilities	20,558,325	3,674,309	2,394,830	2,371,598	28,999,062	

A reconciliation of segment results to profit before income tax is provided as follows:

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Segment results	926,566	2,676,845
Realised and unrealised gains/(losses) from financial assets at FVPL (note 7)	53,019	(18,294)
Finance income — net (note 8)	139,044	48,155
Profit before income tax	1,118,629	2,706,706

A reconciliation of segment assets to total assets is provided as follows:

	At 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Segment assets	67,556,138	68,987,514
Deferred income tax assets	1,484,150	1,130,244
Financial assets at FVOCI (<i>note 13</i>)	452,401	556,740
Financial assets at FVPL (exclude contingent consideration receivables)	2,347,620	580,033
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Total assets	71,840,309	71,254,531
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A reconciliation of segment liabilities to total liabilities is provided as follows:

	At 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Segment liabilities	29,922,188	28,999,062
Deferred income tax liabilities	1,318,472	1,598,912
Current income tax liabilities	622,333	707,579
Bank and other borrowings	1,626,779	870,256
	<hr/>	<hr/>
Total liabilities	33,489,772	32,175,809
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6. OTHER INCOME

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Government subsidy income	108,182	136,369
Dividend income from financial assets at FVOCI	34,839	76,017
Late payment charges	33,479	42,027
	<hr/>	<hr/>
	176,500	254,413
	<hr/>	<hr/>

7. OTHER (LOSSES)/GAINS — NET

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Losses on disposals of subsidiaries	(91,569)	(38,589)
(Losses)/gains from the change of sublease contracts	(10,950)	78,652
Gains/(losses) on early termination of lease contracts	27,375	(4,861)
Net foreign exchange (losses)/gains	(49,526)	51,251
Realised and unrealised gains/(losses) from financial assets at FVPL	53,019	(18,294)
(Losses)/gains on disposals of investments accounted for using the equity method	(338)	4,009
Losses on disposals of property, plant and equipment, and investment properties	(32,167)	(25,689)
Gains on fair value changes of contingent considerations	7,535	531,876
Others	(93,111)	(93,633)
	(189,732)	484,722

8. FINANCE INCOME — NET

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Finance income:		
Interest income on bank deposits	246,294	217,255
Interest income on loan receivables from related parties	19,167	—
	265,461	217,255
Finance costs:		
Interest on lease liabilities	(86,649)	(93,989)
Interest on bank and other borrowings	(50,166)	(75,111)
Total borrowing costs	(136,815)	(169,100)
Less: amounts capitalised in the cost of qualifying assets	10,398	—
	(126,417)	(169,100)
Finance income — net	139,044	48,155

9. INCOME TAX EXPENSE

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Current income tax		
— Provision for current income tax	1,162,381	1,280,405
— Over provision in prior years	(25,534)	(36,228)
	<u>1,136,847</u>	<u>1,244,177</u>
Deferred income tax		
— Corporate income tax	(627,231)	(415,094)
— Withholding income tax on profits to be distributed in future	10,114	3,115
	<u>(617,117)</u>	<u>(411,979)</u>
	<u>519,730</u>	<u>832,198</u>

10. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 December	
	2025	2024
Profit attributable to the owners of the Company (RMB'000)	601,497	1,808,357
Weighted average number of ordinary shares in issue (thousands shares)	<u>3,334,173</u>	<u>3,338,963</u>
Basic earnings per share (RMB cents)	<u>18.04</u>	<u>54.16</u>

(b) **Diluted**

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group has dilutive potential ordinary shares arising from the share option schemes.

For the year ended 31 December 2024, the effect of the share options were anti-dilutive and therefore not included in the calculation of the diluted earnings per share.

	Year ended 31 December	
	2025	2024
Profit attributable to the owners of the Company (<i>RMB'000</i>)	601,497	1,808,357
Weighted average number of ordinary shares in issue (<i>thousands shares</i>)	3,334,173	3,338,963
Adjustments — share options schemes (<i>thousands shares</i>)	17,761	—
	<hr/>	<hr/>
Weighted average number of ordinary shares for diluted earnings per share (<i>thousands shares</i>)	3,351,934	3,338,963
	<hr/>	<hr/>
Diluted earnings per share (<i>RMB cents</i>)	17.94	54.16
	<hr/>	<hr/>

11. DIVIDENDS

The final dividend in respect of year ended 31 December 2024 of RMB13.52 cents (equivalent to HKD14.76 cents) per share and a special dividend of RMB16.09 cents (equivalent to HKD17.57 cents) per share, totalling RMB988,945,000. Such final dividend and special dividend have been approved at the annual general meeting on 23 May 2025 and was paid in cash on 29 August 2025.

The Board of Directors recommended the payment of a 2025 final dividend of RMB4.62 cents per share and a special dividend of RMB41.80 cents per share, totaling approximately RMB1,511,400,000. Should the total number of issued shares of the Company change between the date of approval of the Group's consolidated financial statements and the record date for determining entitlements of eligible shareholders to the proposed final dividend and special dividend (being 11 June 2026), the Board of Directors recommends that the aforementioned dividend per share be adjusted accordingly, based on the principle that the total amount of the final dividend and special dividend should be approximately equivalent to and not less than RMB1,511,400,000. Therefore, the final amounts of the final dividend and/or special dividend per share may be adjusted.

The eligible shareholders will be given an option to elect to receive the final dividend and special dividend wholly in new shares, partly in new shares and partly in cash, or wholly in cash ("**Scrip Dividend Scheme**"). The Scrip Dividend Scheme is conditional upon passing of the resolutions regarding the payment of the final dividend and special dividend at the forthcoming annual general meeting of the Company, and the granting of listing of and permission to deal in the new shares to be issued under the Scrip Dividend Scheme by the Stock Exchange. These financial statements do not reflect this dividend payable.

12. INTANGIBLE ASSETS

	Software RMB'000 (ii)	Contracts and customer relationships RMB'000 (iii)	Insurance brokerage license RMB'000 (iv)	Brand RMB'000 (v)	Concession intangible assets RMB'000 (vi)	Total other intangible assets RMB'000	Goodwill RMB'000 (vii)	Total RMB'000
At 1 January 2024								
Cost	665,833	7,016,815	28,663	2,128,394	668,420	10,508,125	19,639,425	30,147,550
Accumulated amortisation	(180,074)	(2,166,999)	(8,866)	(588,331)	(59,003)	(3,003,273)	—	(3,003,273)
Accumulated impairment	—	(8,456)	—	(1,888)	—	(10,344)	(3,206,624)	(3,216,968)
Net book amount	<u>485,759</u>	<u>4,841,360</u>	<u>19,797</u>	<u>1,538,175</u>	<u>609,417</u>	<u>7,494,508</u>	<u>16,432,801</u>	<u>23,927,309</u>
Year ended 31 December 2024								
Opening net book amount	485,759	4,841,360	19,797	1,538,175	609,417	7,494,508	16,432,801	23,927,309
Additions	72,540	400,001	—	—	13,233	485,774	—	485,774
Acquisition of subsidiaries	65	43,963	—	—	—	44,028	76,802	120,830
Amortisation	(74,101)	(866,892)	(2,475)	(240,583)	(43,768)	(1,227,819)	—	(1,227,819)
Disposals	(5,226)	—	—	—	—	(5,226)	—	(5,226)
Disposal of subsidiaries	—	(51,758)	—	—	—	(51,758)	(96,797)	(148,555)
Impairment	—	—	—	—	—	—	(990,000)	(990,000)
Closing net book amount	<u>479,037</u>	<u>4,366,674</u>	<u>17,322</u>	<u>1,297,592</u>	<u>578,882</u>	<u>6,739,507</u>	<u>15,422,806</u>	<u>22,162,313</u>
At 31 December 2024								
Cost	730,092	7,377,702	28,663	2,128,394	681,327	10,946,178	19,479,477	30,425,655
Accumulated amortisation	(251,055)	(3,002,572)	(11,341)	(828,914)	(102,445)	(4,196,327)	—	(4,196,327)
Accumulated impairment	—	(8,456)	—	(1,888)	—	(10,344)	(4,056,671)	(4,067,015)
Net book amount	<u>479,037</u>	<u>4,366,674</u>	<u>17,322</u>	<u>1,297,592</u>	<u>578,882</u>	<u>6,739,507</u>	<u>15,422,806</u>	<u>22,162,313</u>
Year ended 31 December 2025								
Opening net book amount	479,037	4,366,674	17,322	1,297,592	578,882	6,739,507	15,422,806	22,162,313
Additions	66,742	70,999	—	—	75,733	213,474	—	213,474
Acquisition of subsidiaries	1,333	—	—	—	895	2,228	—	2,228
Amortisation	(84,020)	(814,653)	(2,475)	(271,295)	(31,840)	(1,204,283)	—	(1,204,283)
Disposals	(1,236)	—	—	—	—	(1,236)	—	(1,236)
Disposal of subsidiaries	—	—	—	—	—	—	(6,564)	(6,564)
Impairment	—	—	—	—	—	—	(968,891)	(968,891)
Closing net book amount	<u>461,856</u>	<u>3,623,020</u>	<u>14,847</u>	<u>1,026,297</u>	<u>623,670</u>	<u>5,749,690</u>	<u>14,447,351</u>	<u>20,197,041</u>
At 31 December 2025								
Cost	796,884	7,448,701	28,663	2,128,394	757,955	11,160,597	19,472,913	30,633,510
Accumulated amortisation	(335,028)	(3,817,225)	(13,816)	(1,100,209)	(134,285)	(5,400,563)	—	(5,400,563)
Accumulated impairment	—	(8,456)	—	(1,888)	—	(10,344)	(5,025,562)	(5,035,906)
Net book amount	<u>461,856</u>	<u>3,623,020</u>	<u>14,847</u>	<u>1,026,297</u>	<u>623,670</u>	<u>5,749,690</u>	<u>14,447,351</u>	<u>20,197,041</u>

Amortisation of intangible assets were charged to the following categories in the consolidated statement of profit or loss and comprehensive income:

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Cost of sales	1,120,263	1,153,718
General and administrative expenses	84,020	74,101
	<u>1,204,283</u>	<u>1,227,819</u>

(i) Amortisation methods and periods

The Group amortises intangible assets with a limited useful life using the straight-line method over the following periods:

Software	3-10 years
Contracts and customer relationships	6-9 years
Insurance brokerage license	12 years
Brand	5-12 years
Concession intangible assets	5-29 years

(ii) Software

Acquired software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining software programmes are recognised as an expense as incurred.

(iii) Contracts and customer relationships

Contracts and customer relationships acquired in business combinations and subsequent asset acquisitions are recognised at fair value at the acquisition date. The contracts and customer relationships have a finite useful life and are carried at cost less accumulated amortisation and impairment.

(iv) Insurance brokerage license

Insurance brokerage license acquired in the business combination is recognised at fair value at the acquisition date. It has a finite useful life and is subsequently carried at cost less accumulated amortisation.

(v) Brand

Brand acquired in the business combination is recognised at fair value at the acquisition date. It has a finite useful life and is subsequently carried at cost less accumulated amortisation and impairment.

(vi) Concession intangible assets

When the Group has entered into contractual service concession arrangements with local government authorities for its participation in the municipal sanitation public infrastructure construction business, the Group carries out the construction or upgrade work of municipal sanitation public infrastructures for the granting authorities and receives in exchange of a right to operate the public infrastructures concerned. Concession intangible assets correspond to the right granted by the respective concession grantors to the Group to charge users of the sanitation services and the fact that the concession grantors (the respective local governments) have not provided any contractual guarantees in respect of the amounts of construction costs incurred to be recoverable.

(vii) Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of a business include the carrying amount of goodwill relating to the business sold.

Goodwill is allocated to CGU for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

Goodwill of RMB14,447,351,000 (2024: RMB15,422,806,000) has been allocated to the respective CGU for impairment testing. Management performed an impairment assessment on the goodwill as at 31 December 2024 and 2025, respectively.

The goodwill (net book amount) is allocated in CGUs as follows:

	At 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Property Management Services Business Operating Segment		
Country Garden Life Services CGU (“ Life Services ”)	6,457,224	6,380,422
Wealth Best Global CGU (“ Wealth Best Global ”)	3,567,263	3,567,263
Link Joy Holdings Group CGU (“ Link Joy ”)	3,233,591	3,233,591
Other CGUs	706,967	790,333
	13,965,045	13,971,609
“Three Supplies and Property Management” Business Operating Segment — others		
	3,465	3,465
Environmental Business Operating Segment		
Country Garden Manguo Environmental Technology Group CGU (“ Manguo ”)	—	968,891
Commercial Operational Services Business Operating Segment — others		
	478,841	478,841
	14,447,351	15,422,806

Integration of CGUs and goodwill reallocation

During the year ended 31 December 2025, there has been a change in the identified CGU resulting from the integration of Sichuan Hemeng Property Management Co., Limited (“**Sichuan Hemeng**”) into Life Services CGU in order to improve operation efficiency. Both Sichuan Hemeng CGU and Life Services CGU are within the Property Management Services Business operating segment. Accordingly, goodwill originally along with Sichuan Hemeng CGU is reallocated into Life Services CGU for goodwill impairment assessment purpose. Management expected that the benefit of expected synergies of Sichuan Hemeng CGU shall be achieved from integrating it into the Group’s existing property management services under Life Services CGU. Such integration resulted in the reallocation of goodwill as there has been a change to the way in which goodwill is monitored internally.

During the year ended 31 December 2024, Sichuan Justbon Life Services CGU (“**Justbon Services**”) was integrated into Life Services CGU and the goodwill originally along with Justbon Services CGU is reallocated into Life Services CGU. Both Justbon Services CGU and Life Services CGU are within the Property Management Services Business operating segment.

Impairment tests on goodwill

The recoverable amount of a CGU is determined based on the higher of value in use and the FVLCOB.

For the year ended 31 December 2025

As at 31 December 2025, management recalculated the recoverable amounts of all CGUs. The recoverable amount results of CGUs other than Manguo was assessed to exceed their carrying amounts as at 31 December 2025.

Impairment of Manguo CGU

During the year ended 31 December 2025, management of the Group reassessed the key assumptions for impairment testing of goodwill of Manguo and considered that the prolonged payment cycle of certain customers of Manguo and the operating cash flows still lacked significant improvement. The Group adjusted its business strategy in 2025 and strategically scaled back relevant businesses accordingly, which would further result to a decrease in the recoverable amount of Manguo. According to the management's estimation of the recoverable amount of Manguo with the assistance of an independent valuer, which was calculated based on its value in use that was assessed to be higher than its FVLCOB, impairment of goodwill and other intangible assets of approximately RMB968,891,000 were recognised for Manguo, resulting in a reduction in the carrying amount of the goodwill of Manguo to nil.

As at 31 December 2025, management reassessed the key assumptions for impairment testing of goodwill of the other CGUs. Based on the assessment, the Group considered that no additional material impairment of goodwill was required.

For the year ended 31 December 2024

As at 31 December 2024, management recalculated the recoverable amounts of all CGUs. The recoverable amount results of CGUs other than Manguo was assessed to exceed their carrying amounts as at 31 December 2024.

Impairment of Manguo CGU

During the year ended 31 December 2024, management of the Group reassessed the key assumptions for impairment testing of goodwill of Manguo and considered that Manguo's business expansion in previous years has not been carried out as scheduled and some existing business has been adjusted, leading to declines in revenues and profits, and the long payment period of some customers of Manguo resulted in unsatisfactory cash flows. Moreover, these adverse effects are expected to remain for a period of time other than temporary. According to the management's estimation of the recoverable amount of Manguo with the assistance of an independent valuer, which was calculated based on its value in use that was assessed to be higher than its FVLCOB, impairment of goodwill and other intangible assets of approximately RMB990,000,000 were recognised for Manguo, resulting in a reduction in the carrying amount of the goodwill of Manguo to RMB968,891,000.

As at 31 December 2024, management reassessed the key assumptions for impairment testing of goodwill of the other CGUs. Based on the assessment, the Group considered that no additional material impairment of goodwill was required.

The following table sets forth each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

	Wealth Best Global	Link Joy	Manguo	Life Services	Other CGUs
2025					
Revenue growth rates during the projection period	3.0%	3.0%	5.0%	3.0%	3.0%
Gross profit margins during the projection period	26.5%	33.7%	12.4%	22.5%	15.1%-25.6%
EBITDA margins during the projection period	17.2%	25.4%	10.6%	11.5%	5.3%-12.8%
Terminal growth rate	2.0%	2.0%	2.0%	2.0%	2.0%
Pre-tax discount rates	17.3%	17.3%	14.5%	17.1%	16.0%-19.8%
2024					
Revenue growth rates during the projection period	3.0%	3.0%	5.4%	3.0%	3.0%-4.9%
Gross profit margins during the projection period	30.1%	32.9%	19.4%	20.9%	13.4%-46.5%
EBITDA margins during the projection period	21.1%	26.0%	15.2%	9.7%	8.2%-39.6%
Terminal growth rate	2.0%	2.0%	2.0%	2.0%	2.0%
Pre-tax discount rates	17.8%	17.7%	14.8%	17.5%	18.1%-20.2%

The recoverable amounts and the headrooms available (the excess of the recoverable amounts over the carrying amounts) of the respective CGU are as follows:

	Wealth Best Global RMB'000	Link Joy RMB'000	Manguo RMB'000	Life Services RMB'000
At 31 December 2025				
Recoverable amount	6,924,000	7,717,000	1,737,000	34,719,000
Headroom	1,002,161	2,001,959	—	27,251,045
At 31 December 2024				
Recoverable amount	7,723,000	8,006,000	3,314,000	37,730,000
Headroom	1,905,224	2,756,800	—	29,151,600

The recoverable amount of the respective CGU would equal its carrying amount if the key assumptions were to change as follows:

	At 31 December 2025					
	Wealth Best Global		Link Joy		Life Services	
	From	To	From	To	From	To
Revenue growth rates during the projection period	3.0%	-2.2%	3.0%	-6.8%	3.0%	-28.9%
Gross profit margins during the projection period	26.5%	22.0%	33.7%	22.8%	22.5%	4.8%
EBITDA margins during the projection period	17.2%	12.7%	25.4%	14.5%	11.5%	-6.2%
Terminal growth rate	2.0%	-2.6%	2.0%	-8.9%	2.0%	N/A*
Pre-tax discount rates	17.3%	22.3%	17.3%	27.0%	17.1%	N/A*

	At 31 December 2024					
	Wealth Best Global		Link Joy		Life Services	
	From	To	From	To	From	To
Revenue growth rates during the projection period	3.0%	-5.7%	3.0%	-10.9%	3.0%	-30.2%
Gross profit margins during the projection period	30.1%	20.9%	32.9%	17.4%	20.9%	5.6%
EBITDA margins during the projection period	21.1%	11.9%	26.0%	10.6%	9.7%	-5.6%
Terminal growth rate	2.0%	-7.9%	2.0%	N/A*	2.0%	N/A*
Pre-tax discount rates	17.8%	28.4%	17.7%	N/A*	17.4%	N/A*

* Reasonable change of the factors will not lead to the recoverable amount lower than the carrying value of the CGU.

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	At 31 December	
	2025	2024
	RMB'000	RMB'000
Listed equity securities	29,228	14,053
Unlisted equity investments	423,173	542,687
	452,401	556,740

The investments mainly represent equity investments in several property management companies.

14. TRADE AND OTHER RECEIVABLES

	At 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Current assets:		
Trade receivables (a)		
— Related parties	2,145,267	2,548,569
— Third parties	<u>20,592,826</u>	<u>18,595,563</u>
	22,738,093	21,144,132
Less: allowance for impairment of trade receivables		
— Related parties	(1,572,946)	(1,886,053)
— Third parties	<u>(2,358,331)</u>	<u>(1,568,707)</u>
	(3,931,277)	(3,454,760)
	<u>18,806,816</u>	<u>17,689,372</u>
Other receivables		
— Payments on behalf of property owners	1,263,286	962,054
— Deposits	523,481	505,457
— Loans to third parties pledged by equities (b)	1,183,733	1,185,849
— Receivables from finance leases	26,879	56,917
— Others (c)	<u>990,834</u>	<u>988,187</u>
	3,988,213	3,698,464
Less: allowance for impairment of other receivables	<u>(582,846)</u>	<u>(318,032)</u>
	<u>3,405,367</u>	<u>3,380,432</u>
Prepayments to suppliers		
— Related parties	2,194	9,131
— Third parties	<u>816,654</u>	<u>1,196,433</u>
	818,848	1,205,564
Prepayments for other taxes	<u>294,769</u>	<u>404,960</u>
	<u>23,325,800</u>	<u>22,680,328</u>
Non-current assets:		
Other receivables		
— Loan receivables from related parties (d)	1,000,000	—
— Receivables from finance leases	<u>126,459</u>	<u>282,769</u>
	<u>1,126,459</u>	<u>282,769</u>

As at 1 January 2024, trade receivables from contracts with customers amounted to RMB16,378,502,000.

As at 31 December 2025, 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 mainly arise from property management services income under lump sum basis, value-added services to non-property owners, heat supply services, environmental business and commercial operational services.

Property management services income under lump sum basis, heat supply services income and commercial operational services income are paid in accordance with the terms of the relevant service agreements. Service income from property management services and heat supply services are due for payment by the residents upon the issuance of demand note.

For value-added services to non-property owners and environmental business, customers are generally given a credit term of up to 90 days.

The aging analysis of the trade receivables based on invoice date and net of loss allowance was as follows:

	At 31 December	
	2025	2024
	RMB'000	RMB'000
Within one year	11,638,762	11,267,480
1 to 2 years	3,645,574	3,806,320
2 to 3 years	1,884,989	2,150,710
Over 3 years	1,637,491	464,862
	<u>18,806,816</u>	<u>17,689,372</u>

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9. As at 31 December 2025, a provision of RMB3,931,277,000 (2024: RMB3,454,760,000) was made against the gross amounts of trade receivables.

- (b) The Group provided short-term loans to several third parties pledged by equity interests of property management and property agency services companies in the PRC held by the corresponding parties. The loans to third parties bear interest rate at 6% to 15% per annum. These loans have a term of 2 to 12 months. The reason for the Group to provide such loans to the third parties is for potential acquisitions of equity interests of property management and property agency services companies.
- (c) These receivables mainly included current accounts due from third parties, which are mainly interest-free, unsecured and repayable according to contract terms.

- (d) In May 2025, the Company entered into the loan agreement with Concrete Win Limited (“**Concrete Win**”) and Fortune Warrior Global Limited (“**Fortune Warrior**”) (the “**Borrowers**”), which are entities directly wholly-owned by Ms. Yang Huiyan (the “**Ultimate Controlling Shareholder**”), pursuant to which the Company agreed to provide revolving loan facilities in an aggregate principal amount of RMB1,000,000,000 (or HKD equivalent) to the Borrowers. The maturity date of the loan is from the date of the grant of the first loan by the Company until the fifth anniversary or the date on which the Company declares the loan to be due before maturity with an annual rate of 5%.

Furthermore, the Company (as the Chargee) also entered into a deed of share charge with the Borrowers, in respect of 543,695,233 shares (the “**Charged Shares**”) of the Company beneficially held by the Borrowers, to secure the repayment and settlement of the principal and interest under the above loan agreement. During the drawdown period, whenever the Company distributes any cash dividends, the Company shall directly withhold the dividends attributable to the Charged Shares of the Borrowers and apply such dividends to repay the interest, principal and other payables under the loan.

As at 31 December 2025, the Company has granted the loan with the amount of RMB1,000,000,000 (2024: nil) to the Borrowers. For the year 2025, the Company recorded interest income of RMB19,167,000 (2024: nil). The maximum amount outstanding during the year ended 31 December 2025 is RMB1,019,167,000 (2024: nil).

There was no loan transaction with related parties during the year 2024.

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	At 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Wealth management products (a)	1,291,319	580,033
Structure products (b)	1,052,067	–
Currency forward contracts (c)	4,234	–
	2,347,620	580,033
Contingent consideration receivables	289,458	298,508

- (a) The Group invested in various wealth management products which can be redeemed any time at the Group’s discretion. These products have a term of from 5 years to 10 years (2024: 5 years) with average expected return rate at 3.1% to 4.8% (2024: 3.3%). The fair values of these investments were determined based on the expected returns with reference to underlying investment.
- (b) As of 31 December 2025, the structure products have a term from one to six months with average expected return rate at 0.8% to 2.2%. The fair values of these investments were determined based on the expected returns as stipulated in relevant contracts with the counterparties.
- (c) The currency forward contracts with an aggregate notional amount of exchanging HKD2,229,568,000 for USD at forward exchange rate of from HKD7.7353 to HKD7.7600 to USD1 with maturity date at or before 27 February 2026. The currency forward exchange contracts were secured by the time deposits of HKD2,090,396,000 (equivalent to RMB1,888,087,000) at 31 December 2025. The fair value of these currency forward exchange contracts were determined based on the quoted price from the bank. Subsequently in February 2026, the aforementioned foreign currency forward contracts matured and the related time deposits were released from pledge.

16. CASH AND CASH EQUIVALENTS AND RESTRICTED BANK DEPOSITS

	At 31 December	
	2025	2024
	RMB'000	RMB'000
Cash at banks (a)	12,899,715	15,897,241
Less: Restricted bank deposits (b)	(1,048,222)	(560,016)
	<u>11,851,493</u>	<u>15,337,225</u>

(a) Cash at banks were denominated in the following currencies:

	At 31 December	
	2025	2024
	RMB'000	RMB'000
RMB	11,330,029	11,551,878
HKD	212,522	172,271
Other currencies	1,357,164	4,173,092
	<u>12,899,715</u>	<u>15,897,241</u>

(b) Restricted bank deposits mainly represent the cash deposits in bank as performance security for property management services according to the requirements of local government authorities, the deposits made as performance security for certain contracts relating to the environmental business and judicially frozen funds. As at 31 December 2025, the amount of restricted bank deposits includes RMB6,820,000 (2024: RMB5,689,000) in the frozen bank accounts of Chongqing Caizhixin Smart Life Services Group Limited (“**Caizhixin Services**”) for its financial guarantee (note 20).

17. SHARE CAPITAL AND SHARE PREMIUM

	Notes	Number of shares	Nominal value of shares	Equivalent nominal value of shares RMB'000	Share premium RMB'000	Total RMB'000	Share repurchased for cancellation RMB'000	Share purchased for the share award scheme RMB'000	Total RMB'000
Authorised									
authorised share capital of USD0.0001 each		10,000,000,000	1,000,000						
At 1 January 2024, 31 December 2024, and 31 December 2025									
		10,000,000,000	1,000,000						
At 1 January 2024		3,343,020,336	334,302	2,135	27,064,723	27,066,858	—	—	27,066,858
Share repurchase/purchase	(a)	—	—	—	—	—	—	(545,443)	(545,443)
Consideration issue	(b)	29,255	3	—	456	456	—	—	456
At 31 December 2024		3,343,049,591	334,305	2,135	27,065,179	27,067,314	—	(545,443)	26,521,871
At 1 January 2025		3,343,049,591	334,305	2,135	27,065,179	27,067,314	—	(545,443)	26,521,871
Share repurchase/purchase	(a)	—	—	—	—	—	(367,024)	(11,104)	(378,128)
Consideration issue	(b)	328,925	33	—	12,407	12,407	—	—	12,407
Employee share scheme — exercise of share option	(c)	260,000	26	—	1,661	1,661	—	—	1,661
At 31 December 2025		3,343,638,516	334,364	2,135	27,079,247	27,081,382	(367,024)	(556,547)	26,157,811

- (a) For the year ended 31 December 2025, a total of 2,120,000 (2024: 106,880,000) shares were purchased at the consideration of RMB11,104,000 (2024: RMB545,443,000) under the share award scheme.

During the year ended 31 December 2025, the Company bought back a total of 63,872,000 (2024: nil) shares for cancellation but not yet cancelled. The authorities of buy-back were approved by shareholders at the annual general meetings on 6 June 2024 and 23 May 2025, respectively. The total consideration paid to buy back these shares was HKD403,422,000 (equivalent to RMB367,024,000) (2024: nil). The shares were bought back at a weighted average price of HKD6.30 per share, with prices ranging from HKD5.95 to HKD6.76. The total of 63,872,000 shares for cancellation but not yet cancelled were included in the issued shares, and were cancelled in March 2026.

- (b) During the year ended 31 December 2025, the Company issued 328,925 (2024: 29,255) consideration shares in aggregate to the former shareholders of Everjoy Services Company Limited for the projects delivered in transit. The share based payment expense is recognised amounting to RMB12,407,000 (2024: RMB456,000) for the year ended 31 December 2025 with a corresponding increase in intangible assets-contract and customers relationship.
- (c) During the year ended 31 December 2025, the Company issued 260,000 shares as a result of the exercise of share options by 3 employees, which were granted under the share option scheme adopted by the Company in 2024, and raised net proceeds of approximately HKD1,302,600 (equivalent to approximately RMB1,182,000) in total. In addition, the related share-based payments reserve of RMB479,000 was transferred to the share premium account as a result of the above exercise of the options. No share option was exercised during the year ended 31 December 2024.

18. TRADE AND OTHER PAYABLES

	At 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables		
— Related parties	273,132	175,195
— Third parties	9,542,042	8,458,982
	<u>9,815,174</u>	<u>8,634,177</u>
Other payables		
— Deposits	1,872,419	2,052,592
— Temporary receipts from properties owners	3,030,823	2,985,848
— Provision for financial guarantee (<i>note 20</i>)	129,949	46,635
— Considerations payable for business combinations	—	9,265
— Dividend payables	33,767	19,642
— Accruals and others	916,358	907,298
	<u>5,983,316</u>	<u>6,021,280</u>
Contingent considerations for business combinations	94,216	118,235
Payroll payables	3,121,802	3,292,507
Other taxes payables	863,304	757,589
	<u>19,877,812</u>	<u>18,823,788</u>

As at 31 December 2025, the carrying amounts of trade and other payables approximated their fair values.

The aging analysis of trade payables based on the invoice date was as follows:

	At 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within one year	8,503,825	7,397,618
1 to 2 years	852,282	802,199
2 to 3 years	360,400	364,184
Over 3 years	98,667	70,176
	<u>9,815,174</u>	<u>8,634,177</u>

19. BANK AND OTHER BORROWINGS

	At 31 December 2025			At 31 December 2024		
	Current RMB'000	Non-current RMB'000	Total RMB'000	Current RMB'000	Non-current RMB'000	Total RMB'000
Secured						
Bank loans	145,982	362,994	508,976	243,055	350,294	593,349
Other borrowings	118,145	151,002	269,147	94,176	167,831	262,007
	<u>264,127</u>	<u>513,996</u>	<u>778,123</u>	<u>337,231</u>	<u>518,125</u>	<u>855,356</u>
Unsecured						
Bank loans	118,980	6,013	124,993	14,900	—	14,900
Other borrowings	462	723,201	723,663	—	—	—
	<u>119,442</u>	<u>729,214</u>	<u>848,656</u>	<u>14,900</u>	<u>—</u>	<u>14,900</u>
Total bank and other borrowings	<u>383,569</u>	<u>1,243,210</u>	<u>1,626,779</u>	<u>352,131</u>	<u>518,125</u>	<u>870,256</u>

The Group's secured borrowings as at 31 December 2025 was amounted to RMB778,123,000 (2024: RMB855,356,000), mainly secured by certain transportation equipment and land use rights of the Group with net book amount of RMB179,999,000 (2024: RMB119,476,000) and pledged by rights of collection of several service projects of environmental business.

As at 31 December 2025, the Group's bank and other borrowings were repayable as follows:

	Bank loans		Other borrowings	
	2025 RMB'000	2024 RMB'000	2025 RMB'000	2024 RMB'000
Within 1 year	264,962	257,955	118,607	94,176
Over 1 year and within 2 years	50,913	22,950	9,499	20,236
Over 2 years and within 5 years	77,644	57,094	723,304	5,000
Over 5 years	240,450	270,250	141,400	142,595
	<u>633,969</u>	<u>608,249</u>	<u>992,810</u>	<u>262,007</u>

The weighted average effective interest rate for the year ended 31 December 2025 was 4.40% (2024: 4.25%) per annum.

The Group's bank and other borrowings are denominated in RMB, functional currency of the respective group entities.

The carrying amounts of the borrowings are approximate to their fair value, as the impact of discounting using the current borrowing rate is not significant.

20. FINANCIAL GUARANTEE

Caizhixin Services, a subsidiary of the Company, was acquired by the Group from its original shareholder, Chongqing Caixin Group Co., Ltd. (“**Caixin Group**”), on 30 September 2021 (the “**Acquisition Date**”). In late August 2022, certain bank accounts of Caizhixin Services were frozen judicially, in light of the fact that Caizhixin Services provided joint and several guarantee to a trust financing arrangement of Caixin Group prior to the Acquisition Date. The Company was informed by Caixin Group and validated the existence of this obligation after the incident happened.

According to information subsequently obtained, in addition to the pledge of the equity interest of a subsidiary held by Caixin Group, the debts were also secured by another eight guarantors, including: (1) one guarantor providing guarantees by way of asset pledge; and (2) the other seven entities (including Caizhixin Services) providing joint and several guarantee obligations. As at 31 December 2025, the principal amount involved in the guarantee of the relevant debt is approximately RMB689,500,000. Together with accrued interests and penalties, the total guarantee amount is approximately RMB1,128,000,000.

Management of the Company represents that: (1) the Caixin Group confirms that, apart from this, Caizhixin Services provided no other external guarantee prior to the Acquisition Date; (2) the normal operation of Caizhixin Services has not been materially and adversely affected; (3) since the engagement with and acquisition of Caizhixin Services by the Group, Caixin Group has disclosed and undertaken that the guarantee did not exist during the course of due diligence and negotiation of the acquisition agreement, which, at present, is in violation of the relevant covenants and undertakings under the agreement regarding the acquisition of Caizhixin Services; (4) the Group has actively taken legal proceedings, to protect the Group’s legitimate rights and interests. As at 31 December 2025, the amount of restricted bank deposits in the frozen bank accounts of Caizhixin Services was RMB6,820,000 (2024: RMB5,689,000). As at 31 December 2025, the Group has assessed that the expected credit losses for the financial guarantee and accordingly made a provision of RMB129,949,000 (2024: RMB46,635,000). When estimating the expected credit losses of the financial guarantee, management applied estimation under various scenarios of repayment orders after taking into account the lawyer’s opinion.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is a leading integrated service provider in the PRC covering diversified business forms, including services to residential properties, commercial properties, office buildings, industrial parks, multi-purpose complexes, government buildings, hospitals, schools and other public facilities, such as airport terminals, highway service stations and cultural scenic areas. We have gained industry-leading satisfaction rate from customers and brand reputation with quality services, as well as high recognition in a number of sub-segments of the industry. We have won well-recognized awards in the industry including “2025 Leading Property Management Companies in China in terms of Marketisation of Business” (2025中國物業管理行業市場化運營領先企業) and “2025 Leading Companies in China in terms of Property Technology Empowerment” (2025中國物業科技賦能領先企業) granted by China Index Academy; “2025 First in Property Management Companies in China in terms of Comprehensive Strength” (2025中國物業企業綜合實力第1名) and “2025 First in Property Management Companies in China in terms of Service Capability” (2025中國物業企業服務力第1名) granted by YIHAN (億翰智庫); and “2025 Leading Property Management Companies in China in terms of Social Responsibility Contribution” (2025中國物業社會責任貢獻領先企業) and “2025 Leading Listed Property Management Companies in China in terms of ESG Sustainable Development” (2025中國物業管理上市公司ESG可持續發展領先企業) granted by CRIC Property Management.

The major business sectors of the Group include: (i) property management services, (ii) community value-added services, (iii) value-added services to non-property owners, (iv) the “Three Supplies and Property Management” business, (v) environmental business (the main business of the former city services business segment) and (vi) commercial operational services, which constitute part of our comprehensive services to customers that cover the full range of the value chain in property management.

Property Management Services

We provide property owners, residents and property developers with a series of property management services, including security, cleaning, green landscaping, gardening, repair and maintenance, and other services. During the Year, property management services recorded a revenue of approximately RMB27,929.6 million, representing a year-on-year increase of approximately 7.3% as compared to the same period of last year, and its percentage of total revenue amounted to approximately 57.8%.

The scale of the Group’s property management business has been steadily expanding. As at 31 December 2025, apart from the “Three Supplies and Property Management” business, our revenue-bearing GFA was approximately 1,070.4 million sq.m.. In addition, the revenue-bearing GFA of the property management services of the “Three Supplies and Property Management” business was approximately 88.8 million sq.m.. We manage a total of 8,268 property projects, which cover 31 provinces, municipalities, autonomous regions in Mainland China and the Hong Kong Special Administrative Region and overseas, focusing on five key economically developed city clusters, including the Pearl River Delta, the Yangtze River Delta, the middle reaches of the Yangtze River, the Beijing-Tianjin-Hebei Region and the Chengdu-Chongqing Region in China.

Customer satisfaction is an important foundation for the sustainable development of the Group. We have continued to build an efficient and lean operation system to support the stability of the basic foundation of services and property management. The Group actively invested in the development of core capabilities such as intelligent R&D and innovation, artificial intelligence and the Internet of Things (IoT), committed to empowering services with technology and continuously improving our service quality, operating efficiency and customer experience. During the Year, the “No. 0 Assistant (零號助理)”, serving as a management data assistant and an employee AI agent partner, has covered over 8,000 management personnel, achieving a monthly active usage rate of over 80%, deployed 38 smart customer service agents, and accumulated more than 170,000 Q&A interactions. The cleaning robot “No. 0 Resident (零號居民)” has achieved scalable delivery and deployment of 1,053 units covering more than 200 projects. For a single project, achieved over 100% improvement in operation man-hours and over 60% increase in per capita operational area, along with a significant rise in project satisfaction. Driven by AIoT applications to reduce costs and increase revenue, we integrated 273 units of cleaning equipment into the intelligent monitoring module, increasing the equipment usage rate to 96%; achieved a revenue from parking lot operations increased by approximately RMB16.06 million. Digital monitoring covers approximately 188,000 elevators, achieving an integration rate of 98% and a year-on-year decrease of approximately 8% in elevator-related complaints, empowering the continuous improvement of service quality and operational efficiency with technology.

During the Year, the Group achieved remarkable results in market expansion, with newly added annualised revenue reaching approximately RMB2.03 billion, marking a significant breakthrough. Our city focus in market expansion continued to increase. In high-density core cities such as Hangzhou, Guangzhou and Shenzhen, the Group accumulatively signed 104 projects, and accumulatively signed 30 projects in key cities including Suzhou, Kunming and Guiyang. We successfully secured Hangzhou Zhuhai Shuiyun (杭州竹海水韻), which successfully established a market presence in the Hangzhou Chengxi Sci-Tech Innovation Corridor; and the first property owners’ committee project in Suzhou. Suzhou Guantianxia Huayuan (蘇州觀天下花苑), laying a solid foundation for regional market expansion. During the Year, the Group’s Integrated Facility Management (IFM) market expansion focused on seven major industries, targeting 44 leading corporate clients across key sectors such as the Internet, new energy, intelligent manufacturing and healthcare. We successfully secured benchmark projects, including Hikvision Hangzhou Headquarters (Phase II) (海康威視杭州總部二期), Qingdao Hisense Industrial Park (青島海信產業園), Guoneng Shenhua Jiujiang Power Plant (國能神華九江電廠) and the First People’s Hospital of Zhaoqing (肇慶市第一人民醫院). The scope of services includes administration, security, engineering, environmental services, catering and conference services, demonstrating the Group’s comprehensive service capabilities and industry penetration of the Group, which establishes a strong foundation for further deepening relationships with leading clients and expanding into diversified scenarios.

Community Value-added Services

We are committed to becoming an “integrated whole-cycle community living services operator”. By focusing on the family growth cycle of property owners, the property value cycle and the mature development cycle of communities, we strive to provide property owners with comprehensive community living services to meet their needs for asset value preservation and appreciation and daily living needs, so as to enable property owners to experience the beauty of property management services. Based on the community and property service scenarios, we continuously build community value-added service businesses that satisfy customers, and possess differentiation and marketization capabilities, and drive the shift in our business structure from resource-based businesses to market-oriented businesses, thereby driving the scale expansion and quality improvement of our community value-added services.

Five major businesses have formed in our community value-added services sector: (i) home services – providing property owners with safe, convenient, professional and considerate full – range home services through a standardized operation system; (ii) community media services – establishing deep connection between consumers and brands through the community media matrix; (iii) local living services – setting up local consumption scenarios for customers and continuously adapting to the needs of property owners to customize diversified life services; (iv) real estate brokerage services – serving the needs of property owners for asset management and further developing second-hand property rental and sale; and (v) community area services – making full use of community space resources and carrying out business with the aim of providing convenience to the life of property owners and improving their sense of happiness in their living.

During the Year, the revenue from the Group’s community value-added services was approximately RMB4,416.5 million, representing a year-on-year increase of approximately 5.0% as compared to the same period of last year, and its percentage of total revenue was approximately 9.1%. In particular, the revenue from local living services amounted to approximately RMB2,607.9 million, representing a year-on-year increase of approximately 19.0% as compared with the same period of last year. The retail, liquor business and new energy business under the local living services have established a market-oriented deployment and achieved scaled revenue. The liquor business has improved sales and operational efficiency by continuously optimizing its supply chain product selection, which steadily strengthened its operational foundation and significantly enhanced the core performance indicators, with the revenue increased by 61.5% year-on-year, reaching approximately RMB709.0 million. The customer repurchase rate increased to 61.3%, representing a significant improvement as compared to last year. Our home services provide property owners with services such as cleaning, housekeeping and appliance repair and cleaning. During the Year, the revenue from home services was approximately RMB575.7 million. By deepening service site operations, strengthening supply chain control and the coordination of marketing, we achieved significant achievements in the pilot validation of home services. The number of service sites increased to 121, with concurrent improvement in revenue per service site.

Value-added Services to Non-Property Owners

During the Year, the revenue from value-added services to non-property owners was approximately RMB630.3 million, representing a year-on-year decrease of approximately 10.6% as compared to the same period of last year, and its percentage of the Group's total revenue further decreased to approximately 1.3%. The value-added services to non-property owners we provide mainly include (i) management consultancy services to property developers for their presale activities, as well as consultancy services for properties managed by other property management companies; (ii) cleaning services, green landscaping, repair and maintenance services to property developers at the pre-delivery stage; (iii) sales and leasing agency services of unsold parking spaces and properties; and (iv) elevator products installation, supporting services and other services.

“Three Supplies and Property Management” Business

The Group established a joint venture in 2018 and began to undergo the separation and transfer of property management and heat supply under the “Three Supplies and Property Management” reform. As of 31 December 2025, the revenue-bearing GFA of the property management services of the “Three Supplies and Property Management” business was approximately 88.8 million sq.m.. During the Year, the revenue from the property management business was approximately RMB9,578.7 million, accounting for approximately 19.8% of the total revenue, and the revenue from the heat supply business was approximately RMB1,687.5 million, accounting for approximately 3.5% of the total revenue.

During the Year, the Group continued to solidify its service and operational foundation. In the residential sector, we persistently carried out quality enhancement initiatives, refined our standardized service system, and improved service quality and efficiency through lean management. Five projects under our management were recognized as case studies in the Improvement Cases for Service Quality of Residential Community Property published by the China Property Management Institute. In terms of business expansion, we deepened our presence across diverse sectors, extending production logistics and operational support services to core areas such as oil and gas fields and refining devices.

Environmental Business

The Group focuses on core sectors such as intelligent operation and maintenance of urban (ecological) environments, solid waste disposal and resource utilization, environmental protection governance, green technology services, manufacturing and leasing of environmental industry technology equipment and industrial services. We provide comprehensive environmental protection governance solutions covering environmental protection design, construction & renovation, and intelligent operation for urban development, industrial upgrading, and livable communities. During the Year, our environmental business recorded a revenue of approximately RMB3,355.3 million, and its percentage of the Group's total revenue decreased to approximately 6.9%. During the Year, the Group focused on enhancing operational quality, consolidating its foundation and pursuing prudent expansion as core priorities, driving continuous optimization in organizational structure, project quality and regional layout. Through smart sanitation, equipment upgrades and refined operations, we consistently improved the operational efficiency, profitability and cash flow quality of our environmental business.

Commercial Operational Services

The Group provides shopping malls, neighborhood commercial centers, office buildings and other projects with full-chain services such as business planning consulting, tenant sourcing, operation and planning services, mainly including (i) conducting commercial operation and management of the properties owned by leasing developers or property owners; (ii) providing property market research and positioning services to property developers at the investment stage; (iii) providing market research and positioning, business planning consulting, tenant solicitation and opening preparation services to property developers or owners at the preparation stage before the opening of the properties; and (iv) providing tenant solicitation, operation and management services to property owners or tenants at the stage of property operation.

During the Year, the commercial operational management business segment of the Group achieved a total revenue of approximately RMB620.4 million, accounting for approximately 1.3% of the total revenue. Our commercial operational services formed various product line matrix, including city-grade full-service shopping mall “Bele city”(碧樂城), regional shopping mall “Bele one”(碧樂匯) and community neighbourhood commercial center “Bele time”(碧樂時光). During the Year, the Group actively promoted third-party expansion, successfully expanded and implemented Bele City in Boxing, Binzhou, Shandong (山東濱州博興碧樂城) and Bele One in Sanhe, Langfang, Hebei (河北廊坊三河碧樂匯).

PROSPECTS AND FUTURE PLANS

Lean operations: deepen the grading of services to build a highly efficient operation system

The customer recognition and satisfaction are the fundamental driving forces behind the sustainable development of the Group. In the future, we will adopt a dual-wheel driven approach combining service grading and digital empowerment to comprehensively advance the refined operation of our projects, implementing targeted empowerment and precise optimisation for projects in different business forms and at various stages of operational performance. For projects with low satisfaction levels, we will precisely allocate resources to address service quality gaps and enhance property owners’ reputation. For low profit or loss making projects, we will improve profitability through optimised resource allocation, innovative models and enhanced operational efficiency, fostering a virtuous cycle of quality improvement, efficiency gains and sustainable growth across all projects. Leveraging digital tools, we will monitor project operations in real time and capture the core needs of property owners. By integrating data aggregation and analysis, we will formulate scientific management approaches and decision making recommendations, while standardising service protocols across all scenarios to ensure consistent service delivery. This will enable more precise operational decisions, more efficient on-site responses and more stable service quality, thereby building a solid foundation for the Group’s long-term, high-quality and sustainable development.

Community value-added services: focus on the core needs to accelerate the market-oriented development of community value-added services

The Group is committed to becoming a “provider of integrated whole-cycle community living services”. Focusing on the core lifestyle needs of property owners, we continue to establish market-oriented businesses including integrated marketing, local retail, liquor and new energy. Moving forward, we will focus on three core levers: scenario-based product, expansion in strategic regions and in-depth private domain operations, driving the transformation of the alcohol business from selling single products to providing scenario-based solutions. For the in-home services business, we will accelerate the replication and expansion upon the rollout of pilot model, deepen the achievements of the “separation of operation, marketing and management”, and strengthen supply chain control and the coordination of operation and marketing. Meanwhile, we will build core business capabilities, strengthen team building, and drive the transformation of our business structure from resource-based operations to market-oriented operations, thereby fueling the scale expansion and quality enhancement of our community value-added services.

Technology empowerment: deepening PARA cooperation and evolution, to reshape a new smart service ecosystem

With artificial intelligence technology entering the stage of large-scale commercial application, the property services industry is undergoing a disruptive transformation. The Group has consistently driven digital transformation, reshaping service procedures with a PARA cooperation and evolution model, representing a convergence of four forces of “People, Agent, Robot and AIoT”. In the future, the Company will promote the deep synergy between the PARA model and the transformation of its operating system. Centered around People, Agent, Robot and AIoT, the Company will continue to elevate its on-site operating model, accelerating the transformation of service organisations from traditional manual operations to human-machine collaboration and data-driven models.

FINANCIAL REVIEW[#]

Revenue

The Group's revenue is mainly derived from (i) property management services, (ii) community value-added services, (iii) value-added services to non-property owners, (iv) "Three Supplies and Property Management" business, (v) environmental business and (vi) commercial operational services. For the year ended 31 December 2025, the total revenue increased by approximately 9.9% to approximately RMB48,353.7 million from approximately RMB43,992.9 million for the year ended 31 December 2024. Such increase was mainly attributable to the comprehensive impact of the continued growth in the revenue from property management services, community value-added services, and the "Three Supplies and Property Management" business of the Group, as offset by the decrease in revenue from value-added services to non-property owners as a result of proactive suppression of the Group's transaction amounts with customers whose credit risks have significantly increased (the "**High-Risk Customers**") and the decline in revenues from environmental business and commercial operational services. Specific revenue by business is shown below:

(I) *Property management services*

During the Year, the revenue from property management services increased by approximately 7.3% to approximately RMB27,929.6 million from approximately RMB26,021.9 million for the year ended 31 December 2024, accounting for approximately 57.8% of the total revenue (for the same period in 2024: approximately 59.2%).

As at 31 December 2025, the revenue-bearing GFA of the Group increased by approximately 33.5 million sq.m. from approximately 1,036.9 million sq.m. as at 31 December 2024 to approximately 1,070.4 million sq.m., mainly due to the increase in revenue-bearing GFA from third parties resulted from the proactive expansion, and the conversion of the Group's reserved contracted GFA of the properties developed by Country Garden Holdings Company Limited ("**CG Holdings**" or "**CGH**") and its subsidiaries, joint ventures and associates into revenue-bearing GFA during the Year.

(II) *Community value-added services*

During the Year, the revenue from community value-added services increased by approximately 5.0% to approximately RMB4,416.5 million from approximately RMB4,208.1 million for the year ended 31 December 2024, accounting for approximately 9.1% of the total revenue (for the same period in 2024: approximately 9.6%).

[#] Due to the reorganization of business units and change in the internal reporting system during the Year, the Group reclassified non-environmental business previously included in city services to property management and related services business other than "Three Supplies and Property Management" business. Therefore, the principal business of the Group are adjusted as: (i) property management services, (ii) community value-added services, (iii) value-added services to non-property owners, (iv) "Three Supplies and Property Management" business, (v) environmental business and (vi) commercial operational services. Accordingly, the Group restated the relevant figures for the year ended 31 December 2024.

The increase in revenue from community value-added services was mainly attributable to:

- (a) During the Year, the revenue from local living services increased by approximately 19.0% to approximately RMB2,607.9 million from approximately RMB2,190.7 million for the year ended 31 December 2024.
- (b) During the Year, the revenue from community media services decreased by approximately 18.5% to approximately RMB524.0 million from approximately RMB642.8 million for the year ended 31 December 2024.
- (c) During the Year, the revenue from home services decreased by approximately 1.1% to approximately RMB575.7 million from approximately RMB582.0 million for the year ended 31 December 2024.
- (d) During the Year, the revenue from real estate brokerage services increased by approximately 6.3% to approximately RMB346.5 million from approximately RMB326.1 million for the year ended 31 December 2024.
- (e) During the Year, the revenue from community area services decreased by approximately 22.3% to approximately RMB362.4 million from approximately RMB466.5 million for the year ended 31 December 2024.

The increase in the revenue from community value-added services was mainly attributable to the growth in revenue from liquor products, retail and new energy business under local living services.

(III) Value-added services to non-property owners

During the Year, the revenue from value-added services to non-property owners decreased by approximately 10.6% to approximately RMB630.3 million from approximately RMB705.2 million for the year ended 31 December 2024, accounting for approximately 1.3% of the total revenue (for the same period in 2024: approximately 1.6%).

The decrease in revenue from value-added services to non-property owners was mainly due to the continuous and proactive suppression of the transaction scale with related parties by the Group.

(IV) “Three Supplies and Property Management” Business

During the Year, the revenue from the “Three Supplies and Property Management” business includes the revenue arising from property management and other related services and heat supply services, among which, the revenue from property management and other related services increased by approximately 46.5% to approximately RMB9,578.7 million from approximately RMB6,539.3 million for the year ended 31 December 2024, accounting for approximately 19.8% of the total revenue (for the same period in 2024: approximately 14.9%).

The revenue from heat supply services increased by approximately 4.4% to approximately RMB1,687.5 million from approximately RMB1,617.0 million for the year ended 31 December 2024, accounting for approximately 3.5% of the total revenue (for the same period in 2024: approximately 3.7%).

The increase in the revenue from the “Three Supplies and Property Management” business was mainly due to the Group’s further expansion of its service categories, as well as the increase in revenue scale resulting from several subsidiaries acquiring the remaining equity interests in certain associates and joint ventures, thereby converting them into holding subsidiaries.

(V) *Environmental Business*

During the Year, the revenue from environmental business decreased by approximately 17.0% to approximately RMB3,355.3 million from approximately RMB4,041.5 million for the year ended 31 December 2024, accounting for approximately 6.9% of the total revenue (for the same period in 2024: approximately 9.2%).

The decrease in the revenue from environmental business was mainly due to the Group’s prudent approach in expanding new projects while proactively withdrawing from certain underperforming environmental sanitation projects.

(VI) *Commercial Operational Services*

During the Year, the revenue from commercial operational services decreased by approximately 1.1% to approximately RMB620.4 million from approximately RMB627.0 million for the year ended 31 December 2024, accounting for approximately 1.3% of the total revenue (for the same period in 2024: approximately 1.4%).

The decrease in the revenue from commercial operational services was due to the Group’s strategic withdrawal from several loss-making projects in order to optimize its business structure.

Costs

The Group’s costs include (i) staff cost, (ii) cleaning cost, (iii) heat supply cost, (iv) maintenance cost, (v) utilities, (vi) greening and gardening cost, (vii) security expenses, (viii) cost of sales of goods, (ix) transportation cost, (x) office and communication cost, (xi) taxes and surcharges, (xii) employee uniform expenses, (xiii) depreciation and amortisation charges, (xiv) community activities cost, (xv) travelling and entertainment cost, (xvi) construction costs for infrastructure under service concession arrangements, (xvii) other labor outsourcing costs, and (xviii) others. During the Year, the costs were approximately RMB39,897.8 million, representing an increase of approximately 12.1% as compared to approximately RMB35,592.3 million for the year ended 31 December 2024. The increase in costs was mainly due to the combined impact of the increased amount of the related costs as a result of the growth in the Group’s property management services, community value-added services and “Three Supplies and Property Management” business, which exceeded the decreased amount of the cost related to value-added services to non-property owners, environmental business and commercial operational services.

Gross Profit and Gross Profit Margin

During the Year, the overall gross profit increased by approximately RMB55.3 million to approximately RMB8,455.9 million from approximately RMB8,400.6 million for the year ended 31 December 2024, representing an increase of approximately 0.7%.

During the Year, the overall gross profit margin decreased by 1.6 percentage points to approximately 17.5% from approximately 19.1% for the year ended 31 December 2024. The decrease in overall gross profit margin was mainly due to the phased adjustments in the gross profit margins of the community value-added services, environmental business and the “Three Supplies and Property Management” business resulting from the changes in the Group’s business structure.

(i) *Property management services*

During the Year, the gross profit margin of property management services increased by 0.6 percentage point to approximately 20.6% from approximately 20.0% for the year ended 31 December 2024.

The increase in gross profit margin of property management was mainly attributable to the implementation of refined project operation systems and digital management, under which the Group optimized resource input for historically loss-making and low-margin projects to enhance operational efficiency while meeting owners’ needs; and a series of cost-saving measures, including centralized procurement, deployment of cleaning robots and upgrading of intelligent IoT equipment. Meanwhile, the Company also devoted dedicated quality investment to projects with low satisfaction levels, striving to improve service quality, customer experience and satisfaction.

(ii) *Community value-added services*

During the Year, the gross profit margin of community value-added services decreased by 9.5 percentage points to approximately 28.9% from approximately 38.4% for the year ended 31 December 2024.

Due to the impact from cyclical economic fluctuations, the gross profit margins of certain community value-added services of the Group experienced a phased adjustment, which was mainly reflected in the following aspects: firstly, the changes in the external environment had a phased impact on certain businesses, primarily including: (i) a decrease in demand from advertising agency clients for resource allocation, leading to a decline in the unit prices of the media business and a reduced revenue contribution from the resource packaging business with high gross profit; (ii) a significant decline in new property handover due to the cyclical impact in the real estate market, leading to a decrease in the platform-based merchant solicitation model business with high gross profit, which dragged down the overall gross margin. Secondly, in response to changes in the external environment and customer demand, the Group proactively adjusted its strategic business layout, including the transformation of the retail business towards essential products targeting C-end clients and increased investment in integrated marketing for the media business. These initiatives are aimed at enhancing the Group’s long-term business competitiveness, however, such strategic adjustments and investments have had a certain impact on the gross profit margins during the Year.

(iii) Value-added services to non-property owners

During the Year, the gross profit margin of value-added services to non-property owners increased by 2.2 percentage points to approximately 4.1% from approximately 1.9% for the year ended 31 December 2024.

The increase in gross profit margin of value-added services to non-property owners was mainly due to the active deployment of market-oriented operations in the elevator installation and maintenance business during the Year, which led to an increase in related gross profits as compared with the same period last year.

(iv) “Three Supplies and Property Management” Business

During the Year, for the “Three Supplies and Property Management” business, the gross profit margin of property management and other related services decreased from approximately 10.0% for the year ended 31 December 2024 to approximately 7.9%, representing a decrease of 2.1 percentage points.

The decrease in the gross profit margin of the property management and other related services under the “Three Supplies and Property Management” business was mainly due to the consolidation of low-margin production operation services and engineering services, thus reducing the overall gross profit margin.

During the Year, for the “Three Supplies and Property Management” business, the gross profit margin of heat supply services decreased from approximately 5.9% for the year ended 31 December 2024 to approximately 5.7%, representing a decrease of 0.2 percentage point.

The gross profit margin of heat supply services under the “Three Supplies and Property Management” business remained stable.

(v) Environmental Business

During the Year, the gross profit margin of environmental business decreased from approximately 14.6% for the year ended 31 December 2024 to approximately 9.8%, representing a decrease of 4.8 percentage points.

The decline in the gross profit margin of environmental business was mainly due to the intensified market competition, which led to lower service prices for some projects, while pressure on the cost persisted, resulting in a double squeeze on profit margins.

(vi) Commercial Operational Services

During the Year, the gross profit margin of commercial operational services increased from approximately 16.4% for the year ended 31 December 2024 to approximately 24.3%, representing an increase of 7.9 percentage points.

The increase in the gross profit margin of commercial operational services was mainly due to the Group’s strategic withdrawal from several loss-making projects.

General and Administrative Expenses

During the Year, general and administrative expenses were approximately RMB4,614.6 million, representing an increase of approximately 3.9% as compared with approximately RMB4,442.7 million for the year ended 31 December 2024, which was mainly due to the increase in the number of projects under the Group's management and the expansion of the scale of the "Three Supplies and Property Management" business. The general and administrative expenses ratio decreased by 0.6 percentage point from approximately 10.1% for the same period in 2024 to approximately 9.5%.

Other Income

During the Year, other income was approximately RMB176.5 million, representing a decrease of approximately 30.6% as compared with approximately RMB254.4 million for the year ended 31 December 2024.

The decrease in other income was mainly due to the decrease in government subsidy and dividend income generated from equity investments in certain entities during the Year as compared with the same period last year.

Other (Losses)/Gains — Net

During the Year, other losses — net were approximately RMB189.7 million, representing an increase of losses of approximately RMB674.4 million as compared with the other gains — net of approximately RMB484.7 million for the year ended 31 December 2024.

The increase in other losses — net was mainly due to the decrease in gains on fair value changes of contingent considerations and net foreign exchange gains during the Year.

Income Tax Expense

During the Year, income tax expense was approximately RMB519.7 million, representing a decrease of approximately 37.6% as compared to approximately RMB832.2 million for the year ended 31 December 2024. The decrease in income tax expense was mainly due to the decrease in the total profit for the Year of the Group as compared with the same period last year.

Profit for the Year

During the Year, the net profit of the Group was approximately RMB598.9 million, representing a decrease of approximately 68.1% as compared to approximately RMB1,874.5 million for the year ended 31 December 2024.

During the Year, the profit attributable to the owners of the Company was approximately RMB601.5 million, representing a decrease of approximately 66.7% as compared to approximately RMB1,808.4 million for the year ended 31 December 2024.

During the Year, the profit attributable to the non-controlling interests of the Company was approximately RMB-2.6 million, representing a decrease of approximately 103.9% as compared to approximately RMB66.2 million for the year ended 31 December 2024.

During the Year, the core net profit* attributable to the owners of the Company was approximately RMB2,519.0 million, representing a decrease of approximately 17.1% as compared to approximately RMB3,038.1 million for the year ended 31 December 2024.

Non-Hong Kong Financial Reporting Standards (Non-HKFRS) Financial Measure

To supplement the consolidated results of the Group prepared in accordance with HKFRS, the Company has presented the core net profit* attributable to the owners of the Company as an additional financial measure. This unaudited non-HKFRS financial measure should be considered in addition to, not as a substitute for, measures of the Group's financial performance prepared in accordance with HKFRS. In addition, the definitions of such non-HKFRS financial measures may differ from those used by other companies. As such, this non-HKFRS financial measure may not be comparable to similarly titled measures presented by other companies.

The Company's management believes that the non-HKFRS financial measure, by excluding certain non-cash items, non-operating items and non-recurring items, provides useful supplementary information to both the Company's management and investors for assessing the Group's core operating results and financial performance.

* Core net profit attributable to the owners of the Company excluding share-based payment expenses, amortisation charges of intangible assets — contracts and customer relationships, insurance brokerage licenses and brands arising from mergers and acquisitions, impairment of goodwill and other intangible assets, impairment of loans to third parties pledged by equities, gains or losses from disposal of subsidiaries, expected losses on external guarantee, impairment provision or reversal of receivables from related parties, gains or losses on fair value changes of contingent considerations related to performance guarantees and the impact of the related income tax expenses and non-controlling interests arising from the aforementioned adjustments.

The following table sets forth the reconciliation of the Group’s non-HKFRS financial measures for the years ended 31 December 2025 and 2024 to the nearest measures prepared in accordance with HKFRS:

	For the year ended	
	31 December	
	2025	2024
	<i>(RMB in million)</i>	
Profit attributable to the owners of the Company		
(HKFRS measures)	601.5	1,808.4
Adjustments		
Add: share-based payment expenses	183.1	123.3
Add: amortisation charges of intangible assets — contracts and customer relationships, insurance brokerage licenses and brands arising from mergers and acquisitions	1,088.4	1,110.0
Add: impairment of goodwill and other intangible assets	968.9	990.0
Add: impairment of loans to third parties pledged by equities	256.4	82.3
Add: gains or losses from disposal of subsidiaries	91.6	38.6
Add: expected losses on external guarantee	83.3	40.0
Add: impairment provision or reversal of receivables from related parties	-313.1	-312.6
Add: gains or losses on fair value changes of contingent considerations related to performance guarantees	-7.5	-531.9
Less: income tax effects of non-HKFRS adjustments	346.7	242.4
Less: non-controlling interests of non-HKFRS adjustments	86.9	67.6
Core net profit attributable to the owners of the Company		
(non-HKFRS measures)	2,519.0	3,038.1

The Company’s management would like to clarify the discontinuation of the presentation of the adjusted revenue[#] indicator as follows: since August 2023, based on the principle of prudence, the Group adopted a more stringent revenue recognition policy for customers with significantly increased credit risk: revenue is recognised only when the Group has fulfilled its performance obligations and the consideration from such customers has been actually received. As this change took effect commencing August 2023, the adjusted revenue[#] was presented in the 2024 annual results announcement and was compared with the relevant indicator for 2023, with the aim of eliminating the timing differences in revenue recognition arising from customers with significantly increased credit risk, thereby providing the Shareholders with a comparable analysis of operating performance. Given that the change in the timing of revenue recognition for such customers has been fully implemented across the two full financial years of 2024 and 2025, the revenue data presented has already fully reflected the impact of this policy. The Group considers that the 2025 annual results are sufficiently comparable, and therefore the adjusted revenue[#] indicator will no longer be presented, so as to simplify financial reporting disclosures and enhance information clarity.

[#] The Group did not recognise revenue in respect of the consideration receivable but not yet collected from the High Risk Customers even though the relevant contractual obligations have been fulfilled by the Group (the “**Uncollected Amounts from the High Risk Customers**”). The adjusted revenue represents the revenue after adding back the Uncollected Amounts from the High Risk Customers.

Net Cash Generated from Operating Activities during the Year

During the Year, the net cash generated from operating activities of the Group amounted to approximately RMB2,507.9 million, representing a decrease of approximately 35.2% as compared to approximately RMB3,873.1 million for the year ended 31 December 2024.

The ratio of net cash generated from operating activities divided by the core net profit* attributable to the owners of the Company was approximately 1.0 time for the Year, representing a decrease of approximately 0.3 time as compared to approximately 1.3 times for the year ended 31 December 2024. The decrease in the ratio was mainly due to the year-on-year decrease in the net contribution from prepayments of the property management business of the Group.

The Equity Attributable to Owners of the Company

The equity attributable to owners of the Company decreased from approximately RMB36,617.0 million as at 31 December 2024 to approximately RMB35,958.3 million as at 31 December 2025, representing a decrease of approximately RMB658.7 million, which was mainly attributable to the combined effect of: (i) the increase in the equity attributable to the owners of the Company as a result of the total comprehensive income attributable to the owners of the Company of RMB526.8 million during the Year, (ii) the decrease in equity attributable to the owners of the Company as a result of the repurchase/purchase of shares by the Company of approximately RMB378.1 million during the Year, (iii) the decrease in the equity attributable to the owners of the Company as a result of the declaration of the dividend for year 2024 of approximately RMB988.9 million during the Year.

Intangible Assets

The intangible assets of the Group mainly comprise goodwill arising from equity acquisitions, contracts and customer relationships, software assets, insurance brokerage licenses, brands and concession intangible assets.

As at 31 December 2025, the intangible assets of the Group were approximately RMB20,197.0 million, representing a decrease of approximately RMB1,965.3 million compared to approximately RMB22,162.3 million as at 31 December 2024, which was mainly due to the Group's full impairment of approximately RMB968.9 million recognised during the Year in respect of the remaining carrying amount of goodwill of Manguo, a non-wholly-owned subsidiary of the Company, as well as the amortisation of approximately RMB1,204.3 million arising from intangible assets during the Year.

* Core net profit attributable to the owners of the Company excluding share-based payment expenses, amortisation charges of intangible assets — contracts and customer relationships, insurance brokerage licenses and brands arising from mergers and acquisitions, impairment of goodwill and other intangible assets, impairment of loans to third parties pledged by equities, gains or losses from disposal of subsidiaries, expected losses on external guarantee, impairment provision or reversal of receivables from related parties, gains or losses on fair value changes of contingent considerations related to performance guarantees and the impact of the related income tax expenses and non-controlling interests arising from the aforementioned adjustments.

Trade and Other Receivables

Trade and other receivables include trade receivables, other receivables, prepayments to suppliers and prepayments for other taxes.

As at 31 December 2025, the Group recorded net trade receivables of approximately RMB18,806.8 million, representing an increase of approximately RMB1,117.4 million compared to approximately RMB17,689.4 million as at 31 December 2024. This was mainly attributable to the longer cycle of payment of customers for property management services and environmental business of the Group. Meanwhile, the faster increase in the revenue scale of the “Three Supplies and Property Management” business resulted in the increase in the corresponding trade receivables.

As at 31 December 2025, the Group recorded trade receivables from CGH and its subsidiaries of approximately RMB2,048.7 million, representing a decrease of approximately RMB316.0 million compared to approximately RMB2,364.7 million as at 31 December 2024, and approximately RMB311.1 million of the total expected credit loss provision for the trade receivables from CGH and its subsidiaries was thus reversed accordingly.

The net other receivables was approximately RMB4,531.8 million as at 31 December 2025, representing an increase of approximately RMB868.6 million compared to approximately RMB3,663.2 million as at 31 December 2024, which was mainly due to the granting of loans of RMB1,000.0 million to the related parties wholly owned by the ultimate controlling shareholder during the Year.

Contract Liabilities

The contract liabilities mainly arose from the advance payments made by customers for relevant services such as property management services, community value-added services and the “Three Supplies and Property Management” business, which are yet to be provided.

The contract liabilities increased from approximately RMB8,245.3 million as at 31 December 2024 to approximately RMB8,877.9 million as at 31 December 2025, representing an increase of approximately RMB632.6 million. The increase in contract liabilities was mainly due to the increase in the advance payments for the “Three Supplies and Property Management” business during the Year.

Trade and Other Payables

Trade and other payables include trade payables, other payables, contingent consideration for business combinations, payroll payables and other tax payables.

Trade payables primarily represent payables for goods or services that have been acquired in the ordinary course of business from suppliers, including purchase of goods, materials and utilities as well as purchase from sub-contractors.

As at 31 December 2025, trade payables of the Group were approximately RMB9,815.2 million, representing an increase of approximately RMB1,181.0 million compared to approximately RMB8,634.2 million as at 31 December 2024, primarily due to the increase in the costs of sales resulting in the increase in the procurement costs of related goods and materials, labor outsourcing costs and utility fees.

Other payables primarily include (i) deposits from property owners in relation to interior decorations; (ii) temporary receipts of fees from property owners (mainly consisting of utilities fees collected from property owners and income generated from common area value-added services that belongs to property owners); (iii) provision for financial guarantee; (iv) outstanding considerations payable for business combinations; (v) dividend payables; and (vi) accruals and others (mainly in relation to payables to third parties and advances).

Other payables decreased from approximately RMB6,021.3 million as at 31 December 2024 to approximately RMB5,983.3 million as at 31 December 2025, primarily due to the decrease in deposit and security.

Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for the Shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to the Shareholders, issue new shares, or sell assets to reduce debt.

The Group monitors its capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total interest-bearing debt less cash and cash equivalents.

As at 31 December 2025, the bank and other borrowings of the Group amounted to approximately RMB1,626.8 million (31 December 2024: approximately RMB870.3 million). All borrowings due during the Year were repaid on time.

As at 31 December 2024 and 2025, the gearing ratio of the Group was maintained at a net cash position.

Liquidity, Financial and Capital Resources

As at 31 December 2025, the bank deposits (being cash and cash equivalents, time deposits and restricted bank deposits) and structured deposits of the Group were approximately RMB17,931.0 million, representing a decrease of approximately RMB247.6 million as compared with approximately RMB18,178.6 million as at 31 December 2024. The bank deposits and structured deposits were denominated in the following currencies:

	31 December 2025		31 December 2024	
	(RMB'000)	(%)	(RMB'000)	(%)
RMB	14,400,957	80.3	13,833,239	76.1
HKD	2,135,844	11.9	172,271	0.9
Other currencies	1,394,177	7.8	4,173,092	23.0
	17,930,978	100.0	18,178,602	100.0

Out of the bank deposits and structured deposits of the Group, there are: (i) time deposits of approximately RMB3,979.2 million (31 December 2024: approximately RMB2,281.4 million); (ii) restricted bank deposits of approximately RMB1,048.2 million (31 December 2024: approximately RMB560.0 million); and (iii) structured deposits of approximately RMB1,052.1 million (31 December 2024: nil). The restricted bank deposits mainly represented judicially frozen funds, cash deposits in bank as performance security for property management services according to the requirements of the local government authorities, and the deposits made as performance security for business contracts of Manguo and Fujian Dongfei Environment Group Co., Ltd. (福建東飛環境集團有限公司) (“**Fujian Dongfei**”), the subsidiaries of the Group.

As at 31 December 2025, the net current assets of the Group were approximately RMB12,971.6 million (31 December 2024: approximately RMB13,896.0 million). The current ratio (current assets/current liabilities) of the Group was approximately 1.4 times (31 December 2024: 1.5 times).

Key Risk Factors and Uncertainties

The following content lists out the key risks and uncertainties confronted by the Group. It is a non-exhaustive list and there may be other risks and uncertainties further to the key risk areas outlined below.

Industry Risk

The Group's businesses are affected by the overall economy, market conditions and the policies and regulations of the property management industry. When there are changes in economic conditions that lead to fluctuations in the consumption levels and purchasing power of businesses and individuals, these fluctuations may affect the Group's business operations and collection of payments for businesses. When there are significant changes in the PRC real estate market that exceed expectations, these changes may affect the growth of the Group's revenue-bearing GFA and related revenue growth. When the government adjusts policies and regulations for property management industry, these adjustments may have a significant impact on the business strategies of property enterprises (including the Group), service offerings and charging standards.

Business Risk

The Group's ability to maintain or improve the Group's current level of profitability depends on the Group's ability to control operating costs (particularly labour costs) and the Group's profit margins and results of operations may be materially and adversely affected by the increase in labour or other operating costs; the Group may not procure new property management services contracts as planned or at desirable pace or price; the Group may not be able to collect property management fees from customers and as a result, may incur impairment losses on receivables; termination or non-renewal of a significant number of the Group's property management services contracts could have a material adverse effect on the business, financial position and results of operations.

Foreign Exchange Risk

The Group's businesses were principally located in the PRC. Except for bank deposits and trade receivables, the Group was not subject to any other material risk directly relating to foreign exchange fluctuations. The management will continue to monitor the foreign exchange exposure, take prudent measures and develop hedging strategies as appropriate to reduce foreign exchange risks.

Employees and Remuneration Policies

As at 31 December 2025, the Group had 209,837 employees (31 December 2024: 214,346 employees). During the Year, the total staff costs were approximately RMB18,162.4 million.

The remuneration package of the employees includes salary, bonus and other cash subsidies. Employees are rewarded on a performance-related basis, together with reference to the profitability of the Group, remuneration benchmarks in the industry and prevailing market conditions, in accordance with the policy of the Group on compensation and welfare.

The Group is subject to social insurance contribution plans or other pension schemes prescribed by the local governments and is required to pay on behalf of its employees, monthly social insurance funds covering pension fund, medical insurance, work-related injury insurance, maternity insurance and unemployment insurance, and the housing provident fund, or to contribute regularly to other mandatory provident fund schemes on behalf of its employees.

Share Schemes

On 9 July 2024, the Shareholders of the Company approved and adopted a share option scheme (the “**2024 Share Option Scheme**”). On 22 July 2024, the Company made an offer to grant a total of 225,350,000 share options to 60 employee participants under the terms of the 2024 Share Option Scheme, with the exercise price of the share options being HKD5.01 per share.

To more effectively fulfill the purpose of the 2024 Share Option Scheme, the Shareholders of the Company have approved and adopted the amendments to (1) the rules of the 2024 Share Option Scheme and (2) the terms of the granted options on 28 January 2026.

The Board shall have the power to manage the 2024 Share Option Scheme and its decisions, interpretations or rulings on all matters relating to the 2024 Share Option Scheme shall be final and binding on all parties. The Board shall also have the power to authorize any Director to exercise any or all of the powers to manage the 2024 Share Option Scheme through passing of resolutions, including but not limited to the selection of eligible participants and the grant of share options to grantees under the 2024 Share Option Scheme, subject to the terms and conditions stipulated in the 2024 Share Option Scheme.

As at the date of this announcement, pursuant to the share award scheme adopted on 18 November 2024 (the “**Share Award Scheme**”), in accordance with the rules of the Share Award Scheme and the terms of the trust deed, a designated subsidiary of the Company entrusted the trustee to purchase a total of 109,000,000 shares in the market through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect at a total consideration (including transaction costs) of approximately RMB556.5 million, and the number of the shares purchased has reached the upper limit of the scheme.

As of the date of this announcement, the Company is formulating the grant plan (including the list of eligible participants, amounts and conditions) and the vesting plan of the share awards, which are subject to final approval by the Board.

Employee Training and Development

The Group focuses on building a comprehensive cultivation system to conduct in-depth research into the key competencies required at each stage of employees’ career development. By focusing on enhancing capabilities and professional development, the Group strengthened its backup talent pipeline, and meticulously crafted a multi-dimensional and multi-tier talent cultivation system to support employees in boosting their career competitiveness.

In order to enhance the ability of employees to cope with the current business changes, and to more efficiently support the business development, the Group has designed regular learning programmes such as “One Moment (一刻堂)” and “Regular Meeting Learning (例會學習)”, achieving vertical integration of operational capabilities. At the same time, based on its online learning platform “BIXUETANG College (碧學堂)”, the Group meets the daily learning needs of the employees of the Group by organizing themed learning months and introducing external courses. As at 31 December 2025, “BIXUETANG College” accumulatively launched 1,966 online courses and operated 14,035 learning programmes, with an average learning hours per employee of 80.09 hours.

In order to enhance the ability of core management cadres to solve future business challenges, the Group designed talent cultivation projects such as the “Rising Stars Programme (新銳計劃)”, “Cornerstone Programme (基石計劃)”, “Leading Excellence Programme (領卓計劃)”, “Leadership Programme (領軍計劃)” and “Defense Officer Program (碧防官計劃)” for key groups, and comprehensively enhanced the business and management capabilities of employees by constructing key position profiles and evaluation systems, identifying shortcomings in their abilities, and matching them with training and learning programmes.

Charge on Assets

As at 31 December 2025, several subsidiaries of the Group carried out borrowing and sale and leaseback financing loan business with banks and financial leasing companies to meet their respective daily operational needs. These were mainly secured by rights of collection of certain of their respective environmental business projects, certain equipment and land use rights.

To address exchange rate fluctuations and lock in earnings, as at 31 December 2025, an amount of approximately RMB1,888,087,000 (as at 31 December 2024: nil), which is included in time deposits, was pledged for forward exchange contracts. Subsequently in February 2026, the aforementioned forward exchange contracts matured, and the relevant time deposits were released.

Contingent Liabilities

Please refer to note 18 to the consolidated financial statements in this announcement for details of contingent liabilities as at 31 December 2025, which were contingent considerations arising from business combinations. Save as disclosed, the Group did not have any other contingent liabilities.

External Guarantee

As at 31 December 2025, save as disclosed in note 20 to the consolidated financial statements in this announcement, the Group did not have any other external guarantee.

Material Acquisitions, Disposals and Significant Investments

During the Year, the Group had no material acquisitions or disposals and no individually significant investments.

MAJOR EVENTS DURING THE YEAR

Intention to Conduct On-market Share Repurchase and/or Purchase

On 27 March 2025, the Board announced that the Company plans to use the Group's existing available cash reserve of not less than RMB500 million to repurchase and/or purchase Shares in the open market within one year after 27 March 2025, depending on the market conditions and the actual needs of the Company at the relevant time. Please refer to the announcement of the Company dated 27 March 2025 for further details.

During the period from 28 March 2025 to 12 February 2026, the Company repurchased 87,996,000 shares of the Company in the open market at a total consideration (including transaction costs) of approximately RMB502.9 million, and the repurchased shares were cancelled on 19 March 2026.

Connected Transaction — Provision of Financial Assistance

Unless otherwise defined herein, the capitalized terms used in this section shall have the same meanings as those defined in the announcement of the Company dated 6 May 2025.

On 6 May 2025 (after trading hours), the Company (as the Lender) entered into the Loan Agreement with Concrete Win and Fortune Warrior (as the Borrowers), pursuant to which the Company agreed to provide revolving loan facilities in an aggregate principal amount of RMB1,000,000,000 (or HKD equivalent) to Concrete Win and Fortune Warrior.

On 8 May 2025, the Company (as the Chargee) further entered into the Deed of Share Charge with Concrete Win and Fortune Warrior (as the Chargors) in respect of the Secured Assets, including a total of 543,695,233 Shares of the Company beneficially held by Concrete Win and Fortune Warrior, to secure the repayment and settlement of the principal and interest of the loan under the Loan Agreement and the Secured Debts. As at the date of this announcement, registration of the relevant share charge has been fully completed, and the Company has granted the loan above to the Borrowers. Please refer to the announcement of the Company dated 6 May 2025 for further details.

Announcements made pursuant to Rules 13.51B(2) and 13.51(2) of the Listing Rules

During the Year, Ms. YANG Huiyan (“**Ms. YANG**”), the chairman and a non-executive Director of the Company, was involved in the following regulatory matters: (1) in May 2025, as CG Holdings and its subsidiary Country Garden Real Estate Group Co., Ltd. failed to timely disclose 2024 interim reports, each of the Shanghai Stock Exchange (the “**SSE**”) and the Shenzhen Stock Exchange (the “**SZSE**”) made the decision to publicly reprimand Ms. YANG and other named persons respectively, and recorded the decision in their integrity file database; (2) in November 2025, as Giant Leap Construction Technology Group Co., Ltd. (騰越建築科技集團有限公司) (“**Giant Leap Construction**”, a subsidiary of CG Holdings and an issuer of corporate bonds trading on the SSE) failed to timely disclose changes in corporate information, significant litigation and being listed as a dishonest party, the Guangdong Securities Regulatory Bureau of the China Securities Regulatory Commission took measures by issuing warning letter to Giant Leap Construction, as well as its then chairman Ms. YANG and other named persons who were responsible to ensure Giant Leap Construction's compliance of its disclosure obligations.

As stated in the announcement of CG Holdings dated 21 May 2025 and 27 November 2025, respectively, the relevant non-compliance was caused by (1) CG Holdings and its subsidiaries and (2) Giant Leap Construction respectively due to objective reasons. Following inquiries with Ms. YANG and review of the relevant letters, the Board (except Ms. YANG) believes that there is no reason to doubt the integrity and ability of Ms. YANG, and that it is appropriate for her to continue serving as the chairman and a non-executive Director of the Company. Please refer to the announcements of the Company dated 23 May 2025 and 1 December 2025 for further details.

Amendments to the Terms of Reference of the Nomination Committee

The Stock Exchange reviews the corporate governance framework from time to time to ensure that it remains fit for purpose and maintains investors' confidence in the market. The Stock Exchange published the consultation conclusions on its review of the Corporate Governance Code and relevant provisions of the Listing Rules in December 2024, with the relevant corporate governance enhancements taking effect from 1 July 2025.

In the above context, the Company amended the terms of reference of the Nomination Committee, stipulating that the Nomination Committee shall have at least one member of a different gender and the duties of the Nomination Committee shall include (i) assisting the Board in maintaining a Board skills matrix, (ii) assessing each director's time commitment and contribution to the Board at least annually, as well as the director's ability to discharge his or her responsibilities effectively, taking into account criteria including professional qualifications and work experience, existing directorships of issuers listed on the Main Board or GEM of the Stock Exchange and other significant external time commitments of such director and other factors or circumstances relevant to the director's character, integrity, independence and experience, and disclosing its assessment pursuant to the Listing Rules (including disclosure in the Company's corporate governance report as appropriate), and (iii) supporting the Company's regular evaluation of the Board's performance at least every two years etc. Please refer to the terms of reference of the Nomination Committee published by the Company on 30 June 2025 for further details.

Change of Chief Financial Officer

On 5 December 2025, the Board announced that Mr. HUANG Peng (“**Mr. HUANG**”) has resigned as the chief financial officer of the Company with effect from 5 December 2025 due to the need to devote more efforts and time to the management of the Group's incubation businesses. Mr. HUANG will continue to serve as the executive president of the Company and will remain responsible for the daily management of the incubation businesses segment, including new businesses such as environmental business, commercial operational services, the “Three Supplies and Property Management” business, real estate agency services, and asset management, as well as the development of other innovative businesses.

The Board further announced that Ms. TIAN Tian has been appointed as the chief financial officer of the Company with overall responsibility for the Company's financial management and works related to the capital market with effect from 5 December 2025. Please refer to the announcement of the Company dated 5 December 2025 for further details.

Amendments to the Rules of the 2024 Share Option Scheme and the Terms of the Granted Options

On 9 July 2024, the Shareholders approved and adopted a share option scheme (the “**2024 Share Option Scheme**”). To more effectively fulfill the purpose of the 2024 Share Option Scheme, the Board has resolved on 23 December 2025 to propose amendments to (1) the rules of the 2024 Share Option Scheme, and (2) the terms of the granted options. Subsequently, these amendments were approved by the Shareholders at the extraordinary general meeting of the Company held on 28 January 2026. For further details, please refer to the Company’s announcements dated 23 December 2025 and 28 January 2026 as well as the Company’s circular dated 8 January 2026.

EVENTS SUBSEQUENT TO THE REPORTING PERIOD

Announcement made pursuant to Rules 13.51B(2) and 13.51(2) of the Listing Rules

In respect of the announcement dated 10 February 2026 of CG Holdings in relation to the matter that CG Holdings, the executive director and chairman of CG Holdings, i.e. Ms. YANG, and other named persons recently received the “Decision on Disciplinary Action” (the “**Decision on Disciplinary Action**”) issued by the SSE, due to the failure of CG Holdings to timely disclose certain overdue debts of CG Holdings in accordance with the relevant bond listing rules of the SSE, the SSE made the decision to impose self-regulatory measures on CG Holdings, Ms. YANG and other named persons (collectively “**Such Persons**”) respectively, and issued a circulated criticism to CG Holdings and Such Persons and recorded it in the integrity file database.

The Board has made enquiries with Ms. YANG in relation to the above matter and reviewed the Decision on Disciplinary Action. As stated in the announcement dated 10 February 2026 of CG Holdings, considering that the relevant non-compliance was caused by the failure of CG Holdings to disclose overdue debts in a timely manner due to objective factors and not due to the failure of the relevant individuals to discharge their duties, the Board (except Ms. YANG) believes that there is no reason to doubt the integrity and ability of Ms. YANG and that it is appropriate for her to continue serving as the chairman and a non-executive director of the Company. Please refer to the announcement of the Company dated 11 February 2026 for further details.

Save for the aforementioned, there was no significant event affecting the Group occurred after 31 December 2025 and up to the date of this announcement.

SCOPE OF WORK OF DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, and the related notes thereto for the year ended 31 December 2025 as set out in this results announcement have been agreed by the Group's auditor, Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2025 as approved by the Board on 27 March 2026. The work performed by Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement of the Group and consequently no opinion or assurance conclusion has been expressed by Deloitte Touche Tohmatsu on this results announcement.

AUDIT COMMITTEE

The Audit Committee assists the Board in providing an independent review of the effectiveness of the financial reporting process, internal control and risk management systems of the Group, and overseeing the audit process. The Audit Committee currently comprises four independent non-executive Directors, namely Mr. RUI Meng, Mr. MEI Wenjue, Mr. CHEN Weiru and Mr. ZHAO Jun. Mr. RUI Meng is the chairman of the Audit Committee. The Audit Committee and the management have discussed and reviewed the annual results and consolidated accounts of the Group for the year ended 31 December 2025. It has also reviewed the accounting principles and practices adopted by the Group and discussed auditing, risk management, internal control and financial reporting matters.

CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders of the Company and to enhance corporate value and accountability. The Company has adopted the code provisions in the Corporate Governance Code ("**Corporate Governance Code**") contained in Appendix C1 to the Listing Rules as its own code of corporate governance.

During the year ended 31 December 2025, the Company had adopted and complied with all applicable code provisions set out in the Corporate Governance Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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 its code of conduct regarding securities transactions by its Directors and employees (the "**Securities Dealing Code**").

The Company has made a specific enquiry to all Directors on whether the Directors have complied with the required standard as set out in the Model Code during the year ended 31 December 2025 and all Directors have confirmed that they have complied with the Model Code and the Securities Dealing Code throughout the Year. No incident of non-compliance was found by the Company during the Year. Relevant employees who are likely to be in possession of inside information of the Group are also subject to compliance with written guidelines on no less exacting terms than the Model Code.

CHANGES IN THE COMPOSITION OF THE DEBT RECOVERY COMMITTEE

The Board resolved to establish the Debt Recovery Committee on 22 August 2024 to facilitate the timely recovery of the Group's trade receivables and to enhance the efficiency of decision-making and execution in relation to the recovery of the Group's trade receivables. Two executive Directors (including the President), one independent non-executive Director and two core management members (including one of them being the then chief financial officer and executive president of the Company) were appointed as members of the Debt Recovery Committee and the President and executive Director were appointed as the chairman of the committee.

Taking into account that the chief financial officer of the Company was changed on 5 December 2025 and that the current chief financial officer is responsible for the special working group under the Debt Recovery Committee, on 27 March 2026, the Board resolved to appoint Ms. TIAN Tian, the chief financial officer of the Company, as a member of the Debt Recovery Committee, so as to better incorporate financial-related functions into the committee.

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

During the Year, the Company repurchased a total of 63,872,000 Shares on the Stock Exchange at a total consideration of HKD402,164,700 (before all the relevant expenses). All the Shares repurchased were cancelled on 19 March 2026. Details of the Shares repurchased were as follows:

Month	Number of Shares repurchased	Purchase price per Share		Total consideration (before relevant expenses) (HKD)
		Highest (HKD)	Lowest (HKD)	
May 2025	3,475,000	6.76	6.58	23,038,360
June 2025	4,077,000	6.67	6.21	26,105,030
July 2025	1,537,000	6.64	6.42	10,046,440
September 2025	1,600,000	6.43	6.37	10,258,910
October 2025	4,380,000	6.40	6.17	27,195,080
November 2025	9,599,000	6.57	6.15	60,352,100
December 2025	39,204,000	6.46	5.95	245,168,780
	<u>63,872,000</u>			<u>402,164,700</u>

The purpose of such Share repurchase was to increase the returns for the Shareholders and to reflect the Company's confidence in its business prospects, and was beneficial to all Shareholders.

During the Year, pursuant to the Share Award Scheme, the trustee has purchased an aggregate of 2,120,000 Shares at a total consideration (including transaction cost) of approximately RMB11,104,000 through the Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect mechanisms. The award shares will be held in trust by the trustee on behalf of the relevant selected participants until vesting.

As at 31 December 2025, the total number of Shares in issue of the Company was 3,343,638,516 Shares. Save as disclosed above, during the Year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including any sale or transfer of treasury shares (as defined in the Listing Rules)). As at 31 December 2025, the Company did not hold any treasury share.

FINAL DIVIDEND AND SPECIAL DIVIDEND

The Board recommended the payment of a final dividend of RMB4.62 cents (2024: RMB13.52 cents per Share) per Share and a special dividend of RMB41.80 cents (2024: RMB16.09 cents per Share) per Share for the year ended 31 December 2025 to the eligible Shareholders as a token of appreciation to all Shareholders for their continuous support to and trust in the Company.

If the total number of the issued Shares of the Company changes during the period from the date of this announcement to Thursday, 11 June 2026 (i.e. the record date for determining the entitlements of the eligible Shareholders to the proposed final dividend and special dividend), the Board recommends an adjustment to the aforementioned dividend per Share accordingly, based on the principle that the total amount of the final dividend and special dividend should be approximately equivalent to and not less than 60% of the core net profit* attributable to the owners of the Company for the year ended 31 December 2025 (being approximately RMB1,511.4 million). Therefore, the final amounts of the final dividend and/or special dividend per Share may be adjusted. Further announcement(s) will be made to disclose the details of such adjustments.

The proposed final dividend and special dividend shall be declared in RMB and paid in HKD. The final dividend and special dividend paid in HKD will be calculated based on the average middle rate of RMB against HKD as announced by the People's Bank of China from Friday, 5 June 2026 to Thursday, 11 June 2026. The eligible Shareholders shall have the option to elect to receive such final dividend and special dividend wholly in new Shares, partly in new Shares and partly in cash, or wholly in cash (the "**Script Dividend Scheme**"). Such new Shares will, upon issuance, *rank pari passu* in all respects with the existing Shares in issue on the date of allotment and issuance of the new Shares, however, such new Shares will not be entitled to the proposed final dividend and special dividend.

* Core net profit attributable to the owners of the Company excluding share-based payment expenses, amortisation charges of intangible assets — contracts and customer relationships, insurance brokerage licenses and brands arising from mergers and acquisitions, impairment of goodwill and other intangible assets, impairment of loans to third parties pledged by equities, gains or losses from disposal of subsidiaries, expected losses on external guarantee, impairment provision or reversal of receivables from related parties, gains or losses on fair value changes of contingent considerations related to performance guarantees and the impact of the related income tax expenses and non-controlling interests arising from the aforementioned adjustments.

The Scrip Dividend Scheme is conditional upon passing of the resolutions regarding the payment of the final dividend and special dividend at the annual general meeting of 2026 (the “2026 AGM”) of the Company, and the granting of listing of and permission to deal in the new Shares to be issued under the Scrip Dividend Scheme by the Stock Exchange.

A circular containing full details of the Scrip Dividend Scheme together with the relevant form of election will be despatched to the eligible Shareholders in due course. It is expected that the final dividend warrants, special dividend warrants and share certificates for the new shares (if the eligible Shareholders elect to receive part or all of their final dividend and special dividend in new Shares) will be sent to the eligible Shareholders on or around Friday, 21 August 2026 at the Shareholders’ own risk.

CLOSURE OF REGISTER OF MEMBERS

For the purposes of determining the eligibility of the Shareholders to attend, speak and vote at the 2026 AGM, and the eligible Shareholders’ entitlement to the proposed final dividend and special dividend, the register of members of the Company will be closed as appropriate as set out below:

- (i) For determining the Shareholders’ eligibility to attend, speak and vote at the 2026 AGM:

Latest time to lodge transfer documents for registration with the Company’s Hong Kong branch share registrar and transfer office	At 4:30 p.m. on Friday, 22 May 2026
Record date	Tuesday, 26 May 2026
Closure of the register of members of the Company	Tuesday, 26 May 2026 to Friday, 29 May 2026 (both days inclusive)

- (ii) Subject to the passing of the shareholders’ resolutions approving the proposal for distributing the final dividend and special dividend at the 2026 AGM, for determining the eligible Shareholders’ entitlement to the proposed final dividend and special dividend:

Latest time to lodge transfer documents for registration with the Company’s Hong Kong branch share registrar and transfer office	At 4:30 p.m. on Tuesday, 9 June 2026
Closure of the register of members of the Company	Wednesday, 10 June 2026 to Thursday, 11 June 2026 (both days inclusive)
Record date	Thursday, 11 June 2026

For the purposes mentioned above, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than the aforementioned latest time.

PUBLICATION OF ANNUAL RESULTS

This results announcement has been published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.bgyfw.com>). The Company's 2025 annual report will be despatched to the Shareholders who requested printed copies and published on the websites of the Stock Exchange and the Company on or before 30 April 2026.

ACKNOWLEDGMENTS

The Company would like to express its deepest gratitude to the Board, the management of the Group and all employees for their hard work, loyal service and contribution. It also thanks the Shareholders, property owners and customers, governments, suppliers, business partners and professional consultants for their continuous support to the Group.

By Order of the Board
Country Garden Services Holdings Company Limited
XU Binhuai
President and Executive Director

Hong Kong, the PRC, 27 March 2026

As at the date of this announcement, the executive directors of the Company are Mr. XU Binhuai (President) and Mr. XIAO Hua. The non-executive director of the Company is Ms. YANG Huiyan (Chairman). The independent non-executive directors of the Company are Mr. MEI Wenjue, Mr. RUI Meng, Mr. CHEN Weiru and Mr. ZHAO Jun.