JINMAO PROPERTY SERVICES CO., LIMITED
金 茂 物 業 服 務 發 展 股 份 有 限 公 司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00816)

DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTION ACQUISITION OF THE ENTIRE EQUITY INTEREST IN JINMAO LVJIAN CHONGQING

THE ACQUISITION

On 30 April 2025 (after trading hours), Jinmao PM (a wholly-owned subsidiary of the Company and the Purchaser), Shanghai Jinmao (the Vendor) and Jinmao Lvjian Chongqing (the Target Company) entered into the Equity Transfer Agreement, pursuant to which the Purchaser has conditionally agreed to acquire, and the Vendor has conditionally agreed to sell, the entire equity interest in the Target Company for a total cash consideration of RMB258 million (tax inclusive).

As at the date of this announcement, the Target Company is a wholly-owned subsidiary of the Vendor. Upon completion of the Acquisition, the Target Company will become an indirect wholly-owned subsidiary of the Company and the financial results of the Target Company will be consolidated into the financial statements of the Group.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, Shanghai Jinmao is a wholly-owned subsidiary of China Jinmao, the immediate controlling shareholder of the Company holding approximately 67.28% of the total number of issued shares of the Company. Therefore, Shanghai Jinmao is an associate of China Jinmao and a connected person of the Company. Accordingly, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio of the Acquisition exceeds 5% but is less than 25%, (i) the Acquisition constitutes a discloseable transaction of the Company, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules; and (ii) the Acquisition also constitutes a connected transaction of the Company, and is subject to the reporting, announcement, annual review, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL MEETING

The Company will convene the General Meeting to, among other things, seek approval from the Independent Shareholders in respect of the Acquisition. The Independent Board Committee comprising all independent non-executive Directors has been established to advise the Independent Shareholders in respect of the Acquisition. Red Sun Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) details of the Acquisition; (ii) a letter from the Independent Board Committee in relation to the Acquisition; (iii) a letter from the Independent Financial Adviser in relation to the Acquisition; and (iv) a notice of the General Meeting, is expected to be despatched to the Shareholders on or before 5 June 2025 as additional time is required to prepare and finalise certain information to be included in the circular.

The Acquisition is subject to the fulfillment of certain Conditions Precedent set out in the Equity Transfer Agreement, and may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

BACKGROUND

The Board is pleased to announce that on 30 April 2025 (after trading hours), Jinmao PM (a wholly-owned subsidiary of the Company and the Purchaser), Shanghai Jinmao (the Vendor) and Jinmao Lvjian Chongqing (the Target Company) entered into the Equity Transfer Agreement, pursuant to which the Purchaser has conditionally agreed to acquire, and the Vendor has conditionally agreed to sell, the entire equity interest in the Target Company for a total cash consideration of RMB258 million (tax inclusive).

As at the date of this announcement, the Target Company is a wholly-owned subsidiary of the Vendor. Upon completion of the Acquisition, the Target Company will become an indirect wholly-owned subsidiary of the Company and the financial results of the Target Company will be consolidated into the financial statements of the Group.

THE EQUITY TRANSFER AGREEMENT

Principal terms of the Equity Transfer Agreement are set out below:

Date: 30 April 2025

Parties:

(i) Jinmao PM (as the Purchaser);

(ii) Shanghai Jinmao (as the Vendor); and

(iii) Jinmao Lvjian Chongqing (as the Target Company).

Effectiveness: The Equity Transfer Agreement shall take effect upon signing by all parties or their legal representatives or authorized representatives and the approval by the Independent Shareholders at the General Meeting.

Subject matter: Pursuant to the Equity Transfer Agreement, the Purchaser has conditionally agreed to acquire, and the Vendor has conditionally agreed to sell, the entire equity interest in the Target Company.

Upon completion of the Acquisition, the Target Company will become an indirect wholly-owned subsidiary of the Company and the financial results of the Target Company will be consolidated into the financial statements of the Group.

Consideration: Pursuant to the Equity Transfer Agreement, the Consideration is RMB258 million (tax inclusive), which shall be satisfied by cash.

The Consideration will be funded by internal resources of the Group.

Payment: The Vendor shall, within ten (10) Working Days after the fulfillment of all the Conditions Precedent (except those required to be satisfied on the Closing Date), deliver written notice to the Purchaser including payment notice information.

The Purchaser shall, within ten (10) Working Days after receiving the written notice, remit the Consideration via wire transfer to the designated bank account (the "**Account**") of the Vendor.

Conditions Precedent: The obligations of the Purchaser under the Equity Transfer Agreement (including the payment of the Consideration) shall be subject to the fulfillment of the following Conditions Precedent either at or before the Closing, provided that the Purchaser shall have the right, at its discretion, to waive one or more of the Conditions Precedent by providing written notice to the Vendor:

(i) the Equity Transfer Agreement and the other Transaction Documents having been duly executed and delivered by the relevant parties, and the Purchaser having received the original copies of the Transaction Documents;

(ii) for purpose of signing and delivery of the Transaction Documents and the performance of the Acquisition, the Warrantors having completed all necessary internal decision-making procedures and state-owned asset approval procedures and having obtained all necessary approvals in accordance with the laws and the articles of association, including approval of the amended and restated Articles of Association, which shall become effective on or before the Closing Date;

(iii) the representations and warranties of the Warrantors under the Equity Transfer Agreement being true, accurate, and complete when made and as of the Closing Date, and shall remain in full effect and validity as if made on the Closing Date;

(iv) the Warrantors having performed and complied with all commitments, agreements, obligations, and conditions that must be performed or complied with by the Warrantors under the Transaction Documents on or before the Closing Date;

(v) in the independent and reasonable judgment of the Purchaser, since the date of the Equity Transfer Agreement: (a) there having been no change that could have a material adverse effect on any Warrantor and its respective business, operations, property, financial condition, income or prospects; and (b) there having been no event or events which, either alone or in combination, has had a material adverse effect, and it is reasonably expected that no such event or events shall occur;

(vi) no government agency having issued any order, decree, or ruling, or taken any other action that restricts, prevents, or otherwise prohibits the Acquisition, and such orders, decrees, rulings or actions shall be final and not subject to reconsideration, litigation, or appeal;

(vii) the Warrantors, either themselves or by procuring the Original Energy Operation and Maintenance Units, submitting to the Purchaser the accounts prepared in accordance with all relevant laws and generally accepted accounting principles in the PRC, based on a recognized and consistent foundation. The Warrantors shall ensure that the accounts are complete, accurate, and reflect a true and fair view of the Target Company's relevant events, assets and liabilities, financial condition, and profit and loss for the dates and periods covered by such accounts, and that such accounts are not affected by any irregular or non-recurring items not included therein. The accounting basis and standards used in the preparation of the accounts shall be consistent with those used in the past two accounting years; and

(viii) the Purchaser completing due diligence on the Target Company with results reasonably satisfactory to the Purchaser.

Closing: The Closing of the Acquisition shall take place on the same day on which all Conditions Precedent (as set out above) have been satisfied or waived, and the Purchaser has paid the Consideration to the Account.

Subsidy Fees: The Vendor or its designated entities shall, within five years commencing from 2025 (inclusive), pay the Purchaser RMB37,500,000 as a subsidy (annual payment of RMB7,500,000) to support the Purchaser in enhancing its energy maintenance efficiency and the customer satisfaction, as well as upgrading its service quality and market competitiveness.

Financial arrangement: After the Closing Date, receivables related to the Energy Operation and Maintenance Projects attributable to the period prior to August 31, 2024 will be collected by the Target Company on behalf of the Original Energy Operation and Maintenance Units and will be settled with the Original Energy Operation and Maintenance Units on a semi-annual cycle.

Termination: The Equity Transfer Agreement may be terminated in advance of the Closing Date upon the occurrence of any of the following circumstances:

(i) between the date of execution of the Equity Transfer Agreement and the Closing Date, if any of the following occurs: (a) any Warrantor or its Related Party experiences an event or circumstance that has caused, or could reasonably be expected to cause, a material adverse effect; (b) any warranty of the Warrantors set out in the Equity Transfer Agreement is untrue, inaccurate, or incomplete in material aspects, and such breach cannot be cured or is not cured within ten (10) Working Days after the Purchaser has issued written notice to the Warrantors, such that the Conditions Precedent cannot be satisfied; (c) the Warrantors fail to comply with any commitment or agreement under the Equity Transfer Agreement, and such non-compliance cannot be cured or is not cured within ten (10) Working Days after the Purchaser has issued written notice to the Warrantors, such that the Conditions Precedent cannot be satisfied; or (d) any Warrantor or its Related Party makes a general assignment for the benefit of creditors, or any legal proceedings initiated by or against any Warrantor or its Related Party, including but not limited to the declaration of any Warrantor or its Related Party being subject to criminal proceedings, bankruptcy, insolvency, or similar proceedings, or the application or imposition of any freezing, seizure, garnishment, security, or other preservation or guarantee measures against any Warrantor or its Related Party or their respective assets, or the liquidation, dissolution, reorganization, or debt restructuring of any Warrantor or its Related Party or similar arrangements pursuant to any law relating to bankruptcy, insolvency or reorganization, in which case the Equity Transfer Agreement may be terminated by the Purchaser;

(ii) if one or more of the Conditions Precedent (excluding those conditions that, by their nature, cannot be fulfilled before the Closing Date) are not fulfilled by the close of business on the deadline date, which shall be the ninetieth (90th) day after the execution date of the Equity Transfer Agreement or any other date otherwise agreed by the parties in writing, the Purchaser may choose to terminate the Equity Transfer Agreement; or

(iii) the Equity Transfer Agreement may be terminated upon the unanimous written consent of the Purchaser, the Vendor and the Target Company.

BASIS OF DETERMINATION OF THE CONSIDERATION

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor with reference to the appraised value of 100% equity interest in the Target Company as at the valuation benchmark date (i.e. 28 February 2025) of approximately RMB258.46 million, as valued by the Independent Valuer using the income approach.

Valuation Report

The Valuation Report is issued by the Independent Valuer, Vocation (Beijing) International Asset Valuation Co., Ltd. (沃克森(北京)國際資產評估有限公司), on 25 April 2025. The Valuation Report is prepared in accordance with the International Valuation Standards.

Valuation methodology

The methodology adopted for preparation of the Valuation Report regarding the Acquisition is income approach. Given that (i) there is insufficient public information of comparable transactions in the energy operation and maintenance industry, and thus the market approach is inapplicable; and (ii) the asset-based approach does not fully and directly incorporate information about the future economic benefits contributed by the business of the Target Company, overlooks the Target Company's overall profitability and fails to fully capture its value, the Independent Valuer considered that the income approach is the most appropriate valuation method for appraising the value of the Target Company, as it offers a comprehensive and precise representation of the market value of the Target Company's total equity value.

A summary of the Valuation Report containing, among other things, the key assumptions, valuation model and input parameters for preparation of the Valuation Report is set out in Appendix I to this announcement.

Having considered that (i) the Independent Valuer has the necessary qualifications to perform the valuations of the Target Company and also has appropriate experience in carrying out similar valuations; (ii) the scope of work carried out by the Independent Valuer is consistent with the relevant assessments; and (iii) the valuation assumptions and methodologies adopted by the Independent Valuer for the relevant assessments are fair and reasonable and in line with industry practices, the Board is of the view that the valuation of the Target Company is fair and reasonable, and hence reliable as the basis for determining the Consideration.

Profit forecast

As the valuation of the Target Company that formed the basis of determining the Consideration is prepared under the income approach, such valuation constitutes profit forecast under Rule 14.61 of the Listing Rules.

Ernst & Young, (the "**Reporting Accountants**"), have been engaged to report on the arithmetical accuracy of the calculations of the discounted cash flows used in the valuation prepared by the Independent Valuer. The Reporting Accountants have reported that so far as the arithmetical accuracy of the calculations is concerned, the discounted cash flows have been properly compiled in accordance with the assumptions as set out in the Valuation Report. The text of the report issued by the Reporting Accountants in relation to the arithmetical accuracy of the calculations of the discounted cash flows is set out in Appendix II to this announcement for the purpose of Rule 14.60A(2) of the Listing Rules.

A letter from the Board, confirming that the profit forecast in the Valuation Report has been made after due and careful enquiry by the Board, is set out in Appendix III to this announcement for the purpose of Rule 14.60A(3) of the Listing Rules.

Experts and consents

The following are the qualifications of experts who have provided opinions and/or advices contained in this announcement:

Name	**Qualification**	**Date of opinion**
Vocation (Beijing) International Asset Valuation Co., Ltd. (沃克森(北京)國際資產評估有限公司)	Independent valuation firm	25 April 2025
Ernst & Young	Certified public accountants	30 April 2025

Each of the experts mentioned above has given and none of the experts has withdrawn its written consent to the issue of this announcement with the inclusion of its letters, reports and/or opinions and the references to its names (including its qualifications) included herein in the form and context in which it is included.

As at the date of this announcement, none of the experts mentioned above nor their respective subsidiaries held any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

To the best knowledge, information and belief of the Board and having made all reasonable enquiries, each of the experts mentioned above is a third party independent of the Group and is not a connected person of the Group.

As at the date of this announcement, as far as the Directors are aware, none of the experts nor their respective subsidiaries mentioned above had, or had had, any direct or indirect interest in any material assets which have been since 31 December 2024 (being the date to which the latest published audited consolidated accounts of the Company were made up) acquired, or disposed of by, or leased to any member of the Group, or are proposed to be acquired, or disposed of by, or leased to any member of the Group.

INFORMATION ON THE TARGET COMPANY

The Target Company, Jinmao Lvjian Chongqing, is a company established in the PRC with limited liability on 31 August 2024. As at the date of this announcement, its registered capital is RMB10,000,000. The Target Company is principally engaged in the energy operation and maintenance business, which includes providing the equipment operation and maintenance services for technological systems such as ground source heat pumps, fresh air units and plate heat exchangers.

Set out below is the audited financial information of the Target Company during the period from 31 August 2024 (being the date of establishment) to 31 December 2024:

	For the period from 31 August 2024 to 31 December 2024 *(RMB million)*
Net profit before taxation	11.33
Net profit after taxation	9.63

The audited total assets and net assets of the Target Company were approximately RMB270.79 million and RMB29.75 million, respectively, as at 28 February 2025.

As the Target Company was established by the Vendor instead of acquiring from a third party, there is no original acquisition cost for the entire equity interest in the Target Company. The cost of Vendor in establishing the Target Company, being the fully-paid registered capital, amounted to RMB10 million as at the date of this announcement.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The energy operation and maintenance business is an important part of the full-cycle management of technology-enabled residences, which plays a key role in ensuring a positive user experience for property owners, extending the lifespan of buildings, equipment and facilities, and contributing to the preservation and appreciation of property values. Since its establishment, China Jinmao has accumulated rich professional experience and built strong customer reputation in stabilising the operating status of equipments, extending the service life of systems, meeting diversified needs of customers and enhancing the level of energy management through its specialised energy operation and maintenance service levels, which has solidified its position as a leading player in the industry of technology-enabled residential operation and maintenance management. Against the backdrop of the "carbon peaking and carbon neutrality" goals, the Ministry of Housing and Urban-Rural Development has specified the criteria for a "good house" as being "green and low-carbon, intelligent and secure" in the current year. The Company foresees that with the escalating competition in the property industry for project expansion, technology-enabled residential energy operation and maintenance services, featuring market-driven pricing standards and promising business growth potential, will emerge as a vital strategic focus for property management enterprises seeking to cultivate distinctive competitive advantages, sustain business growth, and uphold ESG development principles.

After the Acquisition, the Group will achieve integrated operation of property services and energy operation and maintenance on property owners' side, further enhancing operational efficiency, improving customer experience, and solidifying project stability. Meanwhile, the energy operation and maintenance business, positioned as the "green" label of the Group, will further boost the full-chain competitive edges of the Group, establish benchmark service projects for the Group in the field of technology-enabled residences, and accelerate market expansion of the Group in technology-enabled residences, non-residential business portfolio, and energy management services, thereby cultivating differentiated competitive capabilities and providing support for performance growth to help the Group achieve its medium and long-term strategic objectives.

The Acquisition reflects the further strengthening of strategic synergy between the Group and China Jinmao. It serves as a high-quality development goal for the Group to "Rebuild New Jinmao Services in Five Years", and an important measure of reinforcing the core business line of "energy management" under the "1245" strategy, as well as a key strategic positioning of "focusing on premium quality of property holding and high-end quality services, accelerating the creation of a second growth curve (聚焦精品持有和高端服務業務，加速打造第二增長曲線)" under the business strategy of "One Core • Three Focuses (一核 • 三聚焦)" of China Jinmao.

The Directors (excluding the independent non-executive Directors whose views will be formed after taking into consideration the advice of the Independent Financial Adviser) are of the view that, although the entering into of the Equity Transfer Agreement was not in the ordinary and usual course of business of the Group, the terms of the Equity Transfer Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

As Ms. Qiao Xiaojie and Mr. Gan Yong, both being non-executive Directors of the Company, are also director or employee of China Jinmao, they are deemed to have material interests in the Acquisition and have abstained from voting on the relevant Board resolution to approve the Acquisition. Save as disclosed above, none of the other Directors have material interests in the Acquisition and are required to abstain from voting on the relevant Board resolution.

INFORMATION ON THE PARTIES

The Group and Jinmao PM

The Group is a fast-growing upscale property management and city operation service provider in the PRC. Jinmao PM, as a principal operating wholly-owned subsidiary of the Company in the PRC, is principally engaged in the provision of property management services, value-added services to non-property owners and community value-added services.

Shanghai Jinmao

Shanghai Jinmao is a company established in the PRC with limited liability on 15 November 2007 with a registered capital of USD10 million. As at the date of this announcement, Shanghai Jinmao is a wholly-owned subsidiary of China Jinmao. Shanghai Jinmao is principally engaged in corporate management, financial management consultancy services in the PRC.

China Jinmao

China Jinmao is a large-scale developer and operator of quality real estate projects in the PRC, and the platform enterprise of Sinochem Holdings in the development of real estate business. China Jinmao is principally engaged in city operations, property development, commercial leasing, retail operations, hotel operations, as well as technology and services. The shares of China Jinmao are listed on the Stock Exchange (stock code: 00817).

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, Shanghai Jinmao is a wholly-owned subsidiary of China Jinmao, which is a controlling shareholder of the Company holding approximately 67.28% of the total number of issued shares of the Company. Therefore, Shanghai Jinmao is an associate of China Jinmao and a connected person of the Company. Accordingly, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio of the Acquisition exceeds 5% but is less than 25%, (i) the Acquisition constitutes a discloseable transaction of the Company, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules; and (ii) the Acquisition also constitutes a connected transaction of the Company, and is subject to the reporting, announcement, annual review, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Company will convene the General Meeting to, among other things, seek approval from the Independent Shareholders in respect of the Acquisition. The Independent Board Committee comprising all independent non-executive Directors has been established to advise the Independent Shareholders in respect of the Acquisition. Red Sun Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) details of the Acquisition; (ii) a letter from the Independent Board Committee in relation to the Acquisition; (iii) a letter from the Independent Financial Adviser in relation to the Acquisition; and (iv) a notice of the General Meeting, is expected to be despatched to the Shareholders on or before 5 June 2025 as additional time is required to prepare and finalise certain information to be included in the circular.

The Acquisition is subject to the fulfillment of certain Conditions Precedent set out in the Equity Transfer Agreement, and may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

"Acquisition"	the acquisition of the entire equity interest in the Target Company by the Purchaser from the Vendor
"Articles of Association"	the articles of association of the Target Company
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Working Day(s)"	any day other than Saturday, Sunday, or a rest day required or authorised by law or administrative order for commercial banks in the PRC.
"China Jinmao"	China Jinmao Holdings Group Limited (中國金茂控股集團有限公司), a company incorporated in Hong Kong with limited liability and the immediate controlling shareholder of the Company, the shares of which are listed on the Stock Exchange (stock code: 00817)
"Closing"	the closing of the Acquisition
"Closing Date"	the date on which the Closing takes place
"Company"	Jinmao Property Services Co., Limited (金茂物業服務發展股份有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange (stock code: 00816)
"Conditions Precedent"	the conditions precedent to the Closing as set out in the Equity Transfer Agreement
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Consideration"	the consideration of the Acquisition pursuant to the Equity Transfer Agreement
"controlling shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Energy Operation and Maintenance Projects"	the energy operation and maintenance-related projects reassigned to Jinmao Lvjian Chongqing by the Original Energy Operation and Maintenance Units pursuant to the Equity Transfer Agreement

"Equity Transfer Agreement"	the equity transfer agreement entered into by Jinmao PM, Shanghai Jinmao and Jinmao Lvjian Chongqing on 30 April 2025 in relation to the Acquisition
"General Meeting"	the Shareholders' general meeting of the Company to be convened for the purpose of, among others, considering and approving the Equity Transfer Agreement and the Acquisition
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	the independent committee of the Board comprising all independent non-executive Directors, namely Dr. Chen Jieping, Dr. Han Jian and Mr. Sincere Wong, established to advise the Independent Shareholders in relation to the Acquisition
"Independent Financial Adviser" or "Red Sun Capital"	Red Sun Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), which has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Acquisition
"Independent Shareholders"	the Shareholders who are not required to abstain from voting at the General Meeting, i.e. the Shareholders other than China Jinmao and its associates for the purpose of approving the Acquisition
"Independent Valuer"	Vocation (Beijing) International Asset Valuation Co., Ltd. (沃克森(北京)國際資產評估有限公司), a qualified asset appraisal firm authorized by the Ministry of Finance of the PRC to perform valuation works in the PRC
"Jinmao Intelligent"	Sinochem Jinmao Intelligent Energy Technology (Tianjin) Co., Ltd.* (中化金茂智慧能源科技(天津)有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of China Jinmao
"Beijing Lvjian"	Beijing Jinmao Lvjian Technology Co., Ltd.* (北京金茂綠建科技有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of China Jinmao
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Original Energy Operation and Maintenance Unit(s)"	Beijing Lvjian and Jinmao Intelligent and their branches

"PRC"	the People's Republic of China, and for the purpose of this announcement only, excluding Hong Kong, Macau Special Administrative Region and Taiwan
"Purchaser" or "Jinmao PM"	Sinochem Jinmao Property Management (Beijing) Co., Ltd.* (中化金茂物業管理(北京)有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
"Related Party"	in respect of any natural person, refers to the spouse, child, sibling, parent, spouse's parent, and other close relatives of such natural person; in respect of any entity, refers to any other natural person or entity that is directly or indirectly controlled by it, or controls it, or is jointly controlled with it by another person "Control" means, with respect to any entity, the possession, directly or indirectly, by one person (or by multiple persons acting in concert) or by a trustee or executor, of the power to give decisive directions or to oblige others to give decisive directions concerning the management or affairs of such entity, whether through the ownership of voting securities, shares, or as a trustee or executor, or by contract, trust arrangement, or otherwise, including but not limited to: (i) the ownership of more than 50% of the voting capital in the entity, where such voting rights are typically exercisable at the entity's shareholder meetings or similar bodies; (ii) the possession of more than 50% of the voting rights at the entity's board meetings or similar bodies; or (iii) the ability to appoint or remove the majority of the members of the entity's board or similar bodies. The terms "controlled by" and "jointly controlled by" shall have the corresponding meanings.
"RMB"	Renminbi, the lawful currency of the PRC
"Shareholder(s)"	holder(s) of ordinary share(s) of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"Target Company" or "Jinmao Lvjian Chongqing"	Jinmao Lvjian Technology (Chongqing) Co., Ltd.* (金茂綠建科技(重慶)有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of Shanghai Jinmao as at the date of this announcement
"Transaction Documents"	the Equity Transfer Agreement and the Articles of Association, together with any amendments or supplements thereto from time to time
"USD"	US dollars, the lawful currency of the United States

"Valuation Report"	the report issued by the Independent Valuer in respect of the valuation of the entire equity interest in the Target Company
"Vendor" or "Shanghai Jinmao"	Shanghai Jinmao Investment Management Group Co., Ltd.* (上海金茂投資管理集團有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of China Jinmao
"Warrantor(s)"	the Vendor and the Target Company

By order of the Board
Jinmao Property Services Co., Limited
Song Liuyi
Chairman

Hong Kong, 30 April 2025

As of the date of this announcement, the executive Directors are Mr. Song Liuyi (Chairman), Mr. Li Yulong and Mr. Zhao Jinlong; the non-executive Directors are Ms. Qiao Xiaojie and Mr. Gan Yong; and the independent non-executive Directors are Dr. Chen Jieping, Dr. Han Jian and Mr. Sincere Wong.

* *For identification purposes only*

APPENDIX I – SUMMARY OF THE VALUATION REPORT

The following is the text of the summary of the valuation report, prepared for the purpose of incorporation in this announcement, received from Vocation (Beijing) International Asset Valuation Co., Ltd. (沃克森(北京)國際資產評估有限公司), an independent valuer, in connection with its valuation of the entire equity interest in Jinmao Lvjian Chongqing as at 28 February 2025.

PRINCIPAL ASSUMPTIONS

Details of the principal assumptions on which the profit forecast is based (including business assumptions as well as other general assumptions on which the profit forecast is customarily based) are set out below:

Basic Assumptions

(i) Transaction assumption: valuation objects and assets and liabilities within the valuation scope are already in the process of transaction, and the valuer carries out the valuation based on a similar market such as the trading conditions. The transaction assumption is the most basic premise on which the valuation can be carried out;

(ii) Open market assumption: the parties to an asset traded, or intended to be traded, in a market are on equal footing with each other, and that each party to the asset transaction has had the opportunity and the time to obtain sufficient market information, enabling them to make a reasonable judgment as to the asset's function, use, and transaction price. The open market assumption is based on the assumption that the asset is publicly tradable in the market;

(iii) Asset going-concern assumption: the valuation method, parameters and basis shall be determined on the premise that the valued assets will be continuously used in consistence with their current functions and methods, scale, frequency and environment of application, or used on the basis of certain changes thereof; and

(iv) Corporate going-concern assumption: the valued entity will remain a going concern and will operate in a manner consistent with its current operations.

General Assumptions

(i) There will be no material changes in the relevant prevailing laws, regulations and policies or macro-economic situations of the PRC; there will be no material changes in the political, economic and social environment of the regions where the parties to this transaction are located;

(ii) Considering the actual use and operation of the assets of the valued entity on the valuation benchmark date, the valued entity has been operating as a going concern;

(iii) The operator of the valued entity is a responsible party and the management is capable of undertaking its duties, there are no significant changes during the income forecast period to the key management and technical personnel of the valued entity affecting its operations with reference to the conditions as at the valuation benchmark date, and the management team will be under stable development without any material change to the management system that would affect its operations;

(iv) The operations of the valued entity will be in compliance with and not against the national laws and regulations during the income forecast period. Except those laws and regulations already enacted or enacted but not yet enforced by the government on the valuation benchmark date which affect the operations of the valued entity, there are no significant changes in the laws and regulations related to the operations of the valued entity during the income period;

(v) Save for the accounting standards issued but not yet implemented, the accounting policies adopted by the valued entity during the income forecast period are consistent, continuous and comparable with those adopted as at the valuation benchmark date in material respects;

(vi) The valued entity will continue to operate during the income forecast period on the basis of the existing management approach and management level, and the scope and approach of operation will remain consistent with the current operating strategy;

(vii) From the valuation benchmark date, there are no changes to the currency exchange rate, interest rate, tax rate, political levy and inflation that will cause material effects on the business condition of the valued entity during the income period; and

(viii) From the valuation benchmark date, there are no force majeure or unforeseeable events affecting the operations of the valued entity.

Specific Assumptions

(i) Except for the fixed assets investments for which there is definite evidence as of the valuation benchmark date showing that the production capacity will change subsequently, the valued entity will not make significant investment activities on fixed assets that will affect its operations during the income forecast period, and its production capacity will be estimated based on the status as of the valuation benchmark date;

(ii) In this valuation, the impact of the external equity investments made by the valued entity following the valuation benchmark date on its value is not considered;

(iii) The amount of taxable income and the total profits of the valued entity will be consistent in general, that is, there will be no material adjustment on perpetual difference and temporal difference during the income forecast period;

(iv) During the income forecast period, the valued entity will maintain a similar turnover situation regarding accounts receivable and accounts payable as that in the historical years, and there will be no delinquent payments for goods that are significantly different from the situations in the historical years;

(v) The valued entity will have steady cash inflows and cash outflows during the income forecast period and there will not be a concentration of income recognition at one point in the year;

(vi) The valued entity maintains a human resources management model with small number of management personnel and a large number of outsourced personnel within the system;

(vii) Pursuant to the restructuring plan, the energy operation and maintenance projects pending for renewal will be transferred to the valued entity with the plan. Subsequent new business will be directly contracted by the valued entity. The operating scope and method of the original business will remain consistent with the current direction;

(viii) As of the valuation benchmark date, the energy operation and maintenance projects pending for renewal have not been transferred to the valued entity. However, in accordance with the restructuring plan, the valuation assumes the energy operation and maintenance projects pending for renewal will be transferred to the valued entity as scheduled; and

(ix) To reflect the support from China Jinmao to the energy operation and maintenance business, the valuation incorporates a subsidy plan according to the plan of China Jinmao's headquarters management. The assumption is based on an annual subsidy of RMB7.5 million starting from 2025, lasting for 5 years, totaling RMB37.5 million. Any changes to this arrangement in the future will directly affect the valuation (the "**Subsidy Arrangements**").

Valuation Model and Input Parameters

Valuation Model

The discounted cash flow method is adopted in the valuation report to estimate the main business value of the valued entity as at the valuation benchmark date, and select the discounted corporate free cash flows model of the enterprise as the specific method. The main business value of the valued entity is calculated on the basis of the corporate free cash flows in the next few years, summing up after its discounting by using the appropriate discount rate. The total value of the valued entity is calculated on the basis of the main business value of the valued entity, plus the value of non-operating and surplus assets and minus the value of non-operating and surplus liabilities.The market value of entire shareholders' equity is then derived by subtracting the value of interest-bearing debts.

The specific calculation methods of each item involved in the above income model are as follows:

(i) corporate free cash flows

Corporate free cash flows in the forecast period = net profit after tax + depreciation and amortization + finance cost after tax – capital expenditure – changes in working capital

(ii) weighted average capital cost

According to the principle of consistent basis for the income amount and the discount rate, the basis to determine the income amount for this valuation is the corporate free cash flows and the weighted average cost of capital (WACC) is chosen as the discount rate. The formula is:

$$\mathrm{WACC} = Ke \times [E/(E + D)] + Kd \times (1 - T) \times [D/(E + D)]$$

Wherein: E represents market value of equity; D represents market value of debt; Ke represents cost of equity capital; Kd represents cost of debt capital; and T represents income tax rate applicable to the appraised entity. The cost of equity capital (Ke) is calculated using the internationally recognized CAPM model. The calculation formula is:

$Ke = Rf + MRP \times \beta + Rc$

Wherein: Rf represents risk-free rate of return; MRP represents market risk premium; β represents system risk coefficient of equity; and Rc represents enterprise-specific risk adjustment coefficient.

(iii) The main business value of the valued entity

The main business value of the valued entity refers to the value of the operating assets of the enterprise. The calculation formula is as follows:

$$P = \sum_{i=1}^{n} \frac{FCFF_i}{(1+r)^i} + \frac{FCFF_n \times (1+g)}{(r-g) \times (1+r)^n}$$

Wherein: P represents value of operating assets of the enterprise as at the valuation benchmark date; FCFFi represents expected corporate free cash flows of the enterprise in the coming i year after the valuation benchmark date; FCFFn represents expected corporate free cash flows at the end of the forecast period; r represents discount rate (here refers to the weighted average cost of capital (WACC)); n represents forecast period; i represents the coming i year of the forecast period; and g represents perpetual growth rate.

(iv) Scope of non-operating and surplus assets

In the model, the scope of non-operating and surplus assets includes long-term equity investment, surplus assets and non-operating assets, accordingly, the value of other assets is equal to the sum of longterm equity investment value, surplus assets value and non-operating assets value.

(v) Scope of non-operating and surplus liabilities

In the model, the scope of non-operating and surplus liabilities includes surplus liabilities, non-operating liabilities, etc. Correspondingly, the value of the other liabilities is equal to the sum of the value of the surplus liabilities and the non-operating liabilities.

(vi) Market value of entire shareholders' equity

The formula for calculating the market value of entire shareholders' equity is:

Market value of entire shareholders' equity = total value of the enterprise – value of interest-bearing debts

Total value of the enterprise = value of main business of the enterprise + value of non-operating and surplus assets – value of non-operating and surplus liabilities

Determination of Income period

Jinmao Lvjian Chongqing a newly established company under the smart property management sector, was formed to consolidate and took over the energy operation and maintenance business from the Original Energy Operation and Maintenance Units, and belongs to the smart property industry. The valuation report determined that the revenue period of Jinmao Lvjian Chongqing is indefinite, and the forecast period is from March 2025 to 2030.

Determination of Future Income

(i) Income forecast

The principal business of the valued entity is energy operation and maintenance services. Assuming that the energy operation and maintenance business will be transferred to Jinmao Lvjian Chongqing, the energy operation and maintenance income will come from the energy operation and maintenance business of the Original Energy Operation and Maintenance Units. The valuation determines the forecast annual saturation revenue based on the inventory of projects at the benchmark date and combined with the company's future delivery plans.

Other business income is occasional income and is excluded from this valuation's projections, as it is unlikely to occur in the future.

(ii) Forecast of operating costs

The historical annual operating costs of energy operation and maintenance business mainly include labor costs, equipment maintenance expenses, other administrative expenses, business entertainment, energy costs and lease expenses of fixed assets, of which:

(a) The labor costs are predicted mainly based on the proportion of revenue in the historical years and the further investment planning of enterprises.

(b) The lease expenses of fixed assets are estimated based on the depreciation amount of equipment, without considering adding back the depreciation and deducting capital expenditures;

(c) The consultation and evaluation expenses are predicted with reference to enterprises' planning;

(d) Subsidy Arrangement; and

(e) The remaining costs are projected based on the proportion of revenue in the historical years.

(iii) Forecast of tax and surcharges

Tax and surcharges include urban construction tax, education surcharge, local education surcharge and stamp duty, etc. Urban construction tax, education surcharge and local education surcharge are calculated based on the value-added tax payable. There is a strong correlation between stamp duty and the operating income of enterprises, so stamp duty is predicted with reference to the occurrence level of the ratio of stamp duty to operating income of the enterprise in the historical years.

(iv) Forecast of administrative expenses

Since the positions of sales personnel and management personnel of the Original Energy Operation and Maintenance Units in the historical years are concurrently held by the employees of the property management company, and the valued unit will maintain the current management model in the future, administrative expenses are projected with reference to the number of concurrently employed employees on the benchmark date, taking into account of other necessary management expenses.

(v) Forecast of financial expenses

The financial expenses in the historical years are mainly service charges, which are estimated based on the proportion of service charges to revenue in the historical years.

(vi) Calculation of depreciation and amortization and capital expenditure

The fixed assets of Jinmao Lvjian Chongqing are leased original equipment, and the volume of the original equipment is sufficient to support the business development, so there is no need to consider depreciation, amortization and further capital expenditures.

(vii) Estimation of increase in working capital

Increase in working capital = working capital requirements in the current period – working capital requirements in the previous period

Working capital requirements = minimum cash holdings + average balance of receivables + average balance of inventory – average balance of payables

Of which:

The occurrence of the minimum cash holdings in the current year is related to the expected cash-pay cost in the next year. The valuation is based on the historical data provided by the enterprise and the understanding of the operating cash holdings of the enterprise. It is estimated that the number of days of cash turnover of the enterprise is about 30 days. It is assumed that the minimum cash holdings required to maintain the normal operation of the enterprise is 30 days of cash demand.

Annual cash-pay cost = operating cost of the next year in the forecast period + tax of the next year in the forecast period + total expenses of the next year in the forecast period – total non-cash-pay cost expenses (depreciation and amortization) of the next year in the forecast period

Average balance of receivables = predicted sales revenue in the current period/average turnover rate of receivables in the forecast period

Average balance of inventory = predicted cost of sales in the current period/average inventory turnover rate in the forecast period

(viii) Calculation of income tax

On the day of establishment of Jinmao Lvjian Chongqing, only the headquarter existed, and no branch offices had been established. The preferential tax rate of 15% for the development of the Western region is applicable to the headquarter and may not be applicable to the business conducted in other regions given the business locations are widely distributed. Therefore, the income tax rate of the subsequent business is conservatively considered to be 25%, and the valuation is calculated based on the income tax rate of 25%.

Determination of Discount Rate

On the basis of estimating the corporate free cash flows of the valued entity in the prediction period, we calculated the weighted average cost of capital *(WACC)* using a methodology consistent with the cash flow projection approach, and the specific calculation formula is as follows:

$$WACC = K_D \times (1-T) \times \frac{D}{V} + K_E \times \frac{E}{V}$$

Wherein: $WACC$ represents weighted average cost of capital; K_D represents cost of interest-bearing debt capital; K_E represents cost of equity capital; D represents value of interest-bearing debt; E represents equity value; V is the sum of D and E; and T represents income tax rate implemented by the valued entity.

For the calculation of cost of equity capital, we use the capital asset pricing model (CAPM) in the valuation report to determine, and the specific calculation formula is as follows:

$$K_E = R_F + \beta (R_M - R_F) + \alpha$$

Wherein: K_E represents cost of equity capital; R_F represents risk-free rate of return; R_M-R_F represents market risk premium; β represents Beta coefficient; and α represents enterprise-specific risk.

According to the interest-bearing debts of the valued entity on the valuation benchmark date, the cost of interest-bearing debt capital is determined to be 0.00%.

WACC is calculated according to the above formula, and the discount rate (WACC) from March 2025 to 2030 is 10.78%.

Calculation of input parameters and valuation results

According to the above model, the specific estimated results of the business value of the valued entity from March 2025 to the perpetual period are as follows:

Unit: 0'000

Item	March-December 2025	2026	2027	2028	2029	2030	Perpetual period
Corporate free cash flows	**532.51**	**1,556.05**	**1,470.87**	**2,485.70**	**2,813.40**	**3,148.48**	**3,242.33**
Discount rate	10.78%	10.78%	10.78%	10.78%	10.78%	10.78%	10.78%
Time since the last discount period (years)	0.4167	0.9167	1.0000	1.0000	1.0000	1.0000	–
Discount factor	0.9582	0.8724	0.7875	0.7109	0.6417	0.5793	5.3738
Present value of corporate free cash flows	**510.26**	**1,357.50**	**1,158.31**	**1,767.09**	**1,805.36**	**1,823.91**	**17,423.64**
Value of principal businesses				**25,846.05**			

As of 28 February 2025, Jinmao Lvjian Chongqing had no non-operating and surplus assets or non-operating and surplus liabilities.

Through the above calculations, based on the formula that market value of entire shareholders' equity = value of main business + value of other assets – value of other liabilities – value of interest-bearing debts, the final market value of entire shareholders' equity of Jinmao Lvjian Chongqing on the valuation benchmark date was approximately RMB258.46 million.

SENSITIVITY ANALYSIS

The Independent Valuer has performed the following sensitivity analysis on the discount rates as they are considered to have a relatively significant impact on the valuation.

Change in parameters	-15.00%	-10%	-5%	0%	5.00%	10.00%	15.00%
Discount rate	9.16%	9.70%	10.24%	10.78%	11.32%	11.86%	12.40%
Appraised value (0'000)	31,029.37	29,107.80	27,384.90	25,846.05	24,455.86	23,193.47	22,043.04
Change (0'000)	5,183.32	3,261.75	1,538.85	–	-1,390.19	-2,652.58	-3,803.01
Difference rate	20.05%	12.62%	5.95%	0.00%	-5.38%	-10.26%	-14.71%

* *For identification purposes only*

The following is the text of the report dated 30 April 2025 from the Reporting Accountants, prepared for inclusion in this announcement.

30 April 2025

The Directors
Jinmao Property Services Co., Limited
Room 4702-4703, 47th Floor, Office Tower
Convention Plaza, 1 Harbour Road, Wan Chai
Hong Kong

Report from the reporting accountants on the arithmetical accuracy of the calculations of discounted cash flow forecast in connection with the valuation report

We have been engaged to report on the arithmetical accuracy of the calculations of the discounted cash flow forecast (the "**Forecast**") on which the valuation report dated 25 April 2025 prepared by Vocation (Beijing) International Asset Valuation Co., Ltd. (沃克森(北京)國際資產評估有限公司) in respect of Jinmao Lvjian Technology (Chongqing) Co., Ltd. (金茂綠建科技(重慶)有限公司) (the "**Target**") as at 28 February 2025 is based. The valuation is set out in the announcement of Jinmao Property Services Co., Limited (the "**Company**") dated 30 April 2025 (the "**Announcement**") in connection with the acquisition of 100% equity interests in the Target. The valuation based on the Forecast is regarded by The Stock Exchange of Hong Kong Limited as a profit forecast under paragraph 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

Directors' responsibilities

The directors of the Company (the "**Directors**") are solely responsible for the Forecast. The Forecast has been prepared using a set of bases and assumptions (the "**Assumptions**"), the completeness, reasonableness and validity of which are the sole responsibility of the Directors. The Assumptions are set out in the section headed "APPENDIX I-SUMMARY OF THE VALUATION REPORT" of the Announcement.

Our independence and quality management

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Management 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountants' responsibilities

Our responsibility is to express an opinion on the arithmetical accuracy of the calculations of the Forecast based on our work. The Forecast does not involve the adoption of accounting policies.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the HKICPA. This standard requires that we plan and perform our work to obtain reasonable assurance as to whether, so far as the arithmetical accuracy of the calculations are concerned, the Directors have properly compiled the Forecast in accordance with the Assumptions adopted by the Directors. Our work consisted primarily of checking the arithmetical accuracy of the calculations of the Forecast prepared based on the Assumptions made by the Directors. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

We are not reporting on the appropriateness and validity of the Assumptions on which the Forecast are based and thus express no opinion whatsoever thereon. Our work does not constitute any valuation of the Target. The Assumptions used in the preparation of the Forecast include hypothetical assumptions about future events and management actions that may or may not occur. Even if the events and actions anticipated do occur, actual results are still likely to be different from the Forecast and the variation may be material. Our work has been undertaken for the purpose of reporting solely to you under paragraph 14.60A(2) of the Listing Rules and for no other purpose. We accept no responsibility to any other person in respect of our work, or arising out of or in connection with our work.

Opinion

Based on the foregoing, in our opinion, so far as the arithmetical accuracy of the calculations of the Forecast is concerned, the Forecast has been properly compiled in accordance with the Assumptions adopted by the Directors.

Yours faithfully

Ernst & Young
Certified Public Accountants
Hong Kong

The following is the text of the letter dated 30 April 2025 from the Board prepared for inclusion in this announcement.

30 April 2025

Dear Sir/Madam,

Reference is made to the announcement of Jinmao Property Services Co., Limited (the "**Company**") dated 30 April 2025 in relation to, among others, (i) the acquisition of the entire equity interest in Jinmao Lvjian Technology (Chongqing) Co., Ltd.* (金茂綠建科技(重慶)有限公司) (the "**Target Company**") by Sinochem Jinmao Property Management (Beijing) Co., Ltd.* (中化金茂物業管理(北京)有限公司), a wholly-owned subsidiary of the Company, from Shanghai Jinmao Investment Management Group Co., Ltd.* (上海金茂投資管理集團有限公司); and (ii) the valuation report dated 25 April 2025 (the "**Valuation Report**") prepared by Vocation (Beijing) International Asset Valuation Co., Ltd. (沃克森(北京)國際資產評估有限公司) (the "**Independent Valuer**"). The Independent Valuer adopted income approach in valuation of the entire equity interest in the Target Company.

The board of directors of the Company (the "**Board**") has reviewed the basis and assumptions of the valuation and discussed the same with the Independent Valuer. The Board has also considered the report issued by Ernst & Young on 30 April 2025 in relation to the arithmetical accuracy of the calculations of the profit forecast in the Valuation Report.

Pursuant to the requirements of Rule 14.60A(3) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Board confirmed that the profit forecast used in the aforesaid Valuation Report has been made after due and careful enquiry.

Yours faithfully,
By order of the Board
Jinmao Property Services Co., Limited
Song Liuyi
Chairman

* *For identification purposes only*