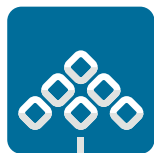


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碧桂园服务
COUNTRY GARDEN SERVICES

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)

**INSIDE INFORMATION
PROFIT WARNING**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO.

The Board wishes to inform shareholders and potential investors of the Company that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2024 and the information currently available to the Company, it is expected that for the six months ended 30 June 2024, the Group will record unaudited consolidated revenue of approximately RMB20,900.0 million to RMB21,200.0 million, unaudited net profit for the period of approximately RMB1,470.0 million to RMB1,650.0 million, unaudited net profit attributable to the shareholders of the Company of approximately RMB1,360.0 million to RMB1,550.0 million and unaudited core net profit attributable to the shareholders of the Company* excluding the provision for impairment of receivables from related parties of approximately RMB1,700.0 million to RMB1,870.0 million. Meanwhile, it is expected that as at 30 June 2024, the Group will record unaudited bank deposits and cash and cash equivalents totaling over RMB12,200.00 million, and it is expected that for the six months ended 30 June 2024, the Group will record unaudited net cash generated from operating activities of no less than RMB100.0 million.

This announcement is made by Country Garden Services Holdings Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The board of directors of the Company (the “**Board**”) wishes to inform shareholders and potential investors of the Company that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2024 and the information currently available to the Company, it is expected that for the six months ended 30 June 2024, the Group will record unaudited consolidated revenue of approximately RMB20,900.0 million to RMB21,200.0 million (for the corresponding period in 2023: approximately RMB20,733.1 million), representing a net increase as compared to that for the corresponding period in 2023. Such net increase was attributable to the consolidated growth in the revenue from property management services, community value-added services, and the “Three Supplies and Property Management” business of the Group, offset by the significant decrease in revenue from value-added services to non-property owners as the result of proactive suppression of the business scale with related parties by the Group and the decline in revenues from city services and commercial operational services.

On the other hand, it is expected that for the six months ended 30 June 2024, (i) the unaudited consolidated net profit (“**Net Profit**”) for the period of the Group shall be approximately RMB1,470.0 million to RMB1,650.0 million (for the corresponding period in 2023: approximately RMB2,488.6 million); (ii) the unaudited net profit of the Group attributable to the shareholders of the Company shall be approximately RMB1,360.0 million to RMB1,550.0 million (for the corresponding period in 2023: approximately RMB2,351.2 million); and (iii) the unaudited core net profit attributable to the shareholders of the Company* excluding the provision for impairment of receivables from the related parties shall be approximately RMB1,700.0 million to RMB1,870.0 million (for the corresponding period in 2023: approximately RMB2,695.3 million). Such decreases were mainly attributable to (i) the fact that based on the principle of prudence, the consideration received from the Group’s certain customers whose credit risks have significantly increased (“**High Risk Customers**”) was recognized as revenue only when the Group has fulfilled its performance obligations and received the consideration from such customers, at the same time, provision for impairment loss was made on the increased trade receivables from certain independent third-party High Risk Customers; (ii) the decrease in related revenue from certain financial investments held by the Group; and (iii) the effect of external adverse factors, enterprise business management factors, different gross profit margins of various business and the change in their percentage of total revenue, as well as the proactive improvement of service quality by the Group, leading to a decrease in the gross profit margin of the Group’s business (which are mainly value-added services to non-property owners, community value-added services, commercial operational services, and city services, etc.). The Group will (i) improve the lifecycle risk management mechanism, adopt proactive measures to reduce debts by recovering historical receivables from High Risk Customers and strengthening the credit policies management, and adopt a more aggressive debt collecting approach for receivables from related independent third-party High Risk Customers; (ii) expedite the disposal and recovery of the corresponding financial investments; and (iii) promote lean management to enhance the gross profit margin, expedite the market-oriented operation of core value-added services, and advance high-quality market expansion, with an aim to consolidate the overall profitability.

Meanwhile, it is expected that as at 30 June 2024, the Group will record unaudited bank deposits and cash and cash equivalents totaling over RMB12,200.00 million (as at 31 December 2023: approximately RMB12,939.3 million). Such a slight decrease was mainly attributable to the repayments of maturing loans made by certain subsidiaries of the Group to

lower the leverage level, the allocation of funds for prudent financial product investments, and the incurred capital expenditures of the Group. Based on the foregoing, it is expected that for the six months ended 30 June 2024, the Group will record unaudited net cash generated from operating activities of no less than RMB100.0 million (for the corresponding period in 2023: approximately RMB2,192.3 million), such a significant decrease was mainly attributable to (i) the year-on-year decline of Net Profit for the six months ended 30 June 2024, and (ii) the increase in receivables due to unsatisfactory fee collection in general resulting from the business of High Risk Customers and external adverse factors. However, sound cash flows remain as one of the core targets of the Company. It is expected the above-mentioned changes will just have a short-term periodic effect, and the Group will (i) improve operating gross margins, enhance total asset turnover and optimize business model; and (ii) has already taken aggressive and effective measures against receivables from key customers, which will convert to cash inflows in the future. Meanwhile, the Group will continue to put efforts into improving the collection rate of various businesses and implement stringent capital operation and credit period management, striving to improve cash flows from operating activities and achieve intended targets during the year.

As the Company is still in the process of preparing and finalising the interim results of the Group for the six months ended 30 June 2024, the information contained in this announcement is only based on the preliminary assessment by the Company's management team with reference to the unaudited consolidated management accounts of the Group for the six months ended 30 June 2024 and the information currently available to the Company, which have not been confirmed, reviewed or audited by the auditors of the Company nor reviewed by the audit committee of the Company and may, therefore, be subject to change.

Shareholders and potential investors should read the Company's interim results announcement for the six months ended 30 June 2024 carefully, which is expected to be published in late August 2024.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

* *Core net profit attributable to the shareholders of the Company excluding share-based payment expenses, unrealised gains or losses from financial assets at fair value through profit or loss, 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, losses from disposal of subsidiaries and expected credit losses on external guarantee.*

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

Foshan, China, 12 August 2024

As of 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.