SUNAC SERVICES HOLDINGS LIMITED
融創服務控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01516)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025 AND CHANGE IN USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

RESULTS HIGHLIGHTS

For the six months ended 30 June 2025:

- The revenue of the Group was approximately RMB3,547 million, representing a year-on-year increase of approximately 2%;
- The gross profit of the Group was approximately RMB772 million, representing a year-on-year decrease of approximately 13%, which was primarily due to the Group's deferral of revenue recognition for certain third-party customers for whom the Group fulfilled its performance obligations but collection risks were high, as well as increased repair and maintenance costs resulting from the expiration of warranties on projects delivered in the recent years;
- The selling and marketing expenses and administrative expenses of the Group were approximately RMB279 million, representing a year-on-year decrease of approximately 13%. The selling and marketing expenses and administrative expenses rate was approximately 7.9%, representing a year-on-year decrease of approximately 1.3 percentage points; and
- The profit attributable to the owners of the Company was approximately RMB122 million, while the loss attributable to the owners of the Company for the same period last year was approximately RMB472 million.

The board (the "**Board**") of directors (the "**Directors**") of Sunac Services Holdings Limited (the "**Company**") announces the unaudited interim consolidated results of the Company and its subsidiaries (together, the "**Group**") for the six months ended 30 June 2025 (the "**Period**"), as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
	Note	**2025**	2024
		(Unaudited)	(Unaudited)
		RMB'000	*RMB'000*
Revenue	*4*	**3,546,605**	3,483,728
Cost of sales	*5*	**(2,775,067)**	(2,595,304)
Gross profit		**771,538**	888,424
Administrative expenses	*5*	**(257,267)**	(294,473)
Selling and marketing expenses	*5*	**(21,838)**	(25,936)
Impairment of intangible assets		**–**	(294)
Net impairment losses on financial assets	*5*	**(345,951)**	(1,136,572)
Other income		**20,753**	14,028
Other gains/(losses) – net		**16,524**	(111,329)
Operating profit/(loss)		**183,759**	(666,152)
Finance income		**14,098**	26,742
Finance costs		**(2,841)**	(3,225)
Finance income – net		**11,257**	23,517
Share of post-tax loss of associates and joint ventures accounted for using the equity method, net		**(6,054)**	(2,846)
Profit/(loss) before income tax		**188,962**	(645,481)
Income tax (expense)/credits	*6*	**(47,456)**	185,129
Profit/(loss) for the period		**141,506**	(460,352)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the six months ended 30 June 2025

	Note	Six months ended 30 June	
		2025	2024
		(Unaudited)	(Unaudited)
		RMB'000	*RMB'000*
Other comprehensive income for the period		**–**	–
Total comprehensive income/(loss) for the period		**141,506**	(460,352)
Total comprehensive income/(loss) for the period attributable to:			
– Owners of the Company		**121,866**	(472,234)
– Non-controlling interests		**19,640**	11,882
		141,506	(460,352)
Earnings/(loss) per share (expressed in RMB per share) (unaudited)			
– Basic earnings/(loss) per share	*7*	**0.04**	(0.15)
– Diluted earnings/(loss) per share	*7*	**0.04**	(0.15)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Note	**30 June 2025 (Unaudited)** ***RMB'000***	31 December 2024 (Audited) *RMB'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**105,885**	99,704
Right-of-use assets		**56,313**	69,217
Investment properties		**48,347**	50,097
Intangible assets		**1,410,964**	1,448,495
Deferred tax assets		**1,036,045**	963,350
Investments accounted for using the equity method		**25,402**	33,464
Financial assets at fair value through profit or loss		**189,729**	189,793
Other receivables	*9*	**51,126**	149,526
Prepayments		**1,209**	1,233
		2,925,020	3,004,879
Current assets			
Inventories		**40,642**	45,573
Trade and other receivables	*9*	**3,899,533**	3,440,652
Prepayments		**20,654**	27,016
Cash and cash equivalents		**2,048,467**	4,027,790
Restricted cash		**166,593**	24,563
Bank deposits with the maturity over three months		**28,000**	15,000
Financial assets at fair value through profit or loss		**801,415**	1,428
Other current assets		**2,114**	3,444
		7,007,418	7,585,466
Total assets		**9,932,438**	10,590,345

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 30 June 2025

	Note	**30 June 2025 (Unaudited)** *RMB'000*	31 December 2024 (Audited) *RMB'000*
EQUITY AND LIABILITIES			
Equity attributable to the owners of the Company			
Share capital		**25,645**	25,645
Reserves		**5,082,881**	5,290,650
Accumulated losses		**(32,882)**	(151,163)
		5,075,644	5,165,132
Non-controlling interests		**160,182**	154,244
Total equity		**5,235,826**	5,319,376
LIABILITIES			
Non-current liabilities			
Lease liabilities		**88,533**	98,695
Deferred tax liabilities		**34,962**	41,064
		123,495	139,759
Current liabilities			
Lease liabilities		**17,052**	22,105
Trade and other payables	*10*	**2,565,206**	2,841,468
Contract liabilities	*4*	**1,632,872**	1,940,878
Current income tax liabilities		**357,987**	326,759
		4,573,117	5,131,210
Total liabilities		**4,696,612**	5,270,969
Total equity and liabilities		**9,932,438**	10,590,345

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 10 January 2019 as an exempted company with limited liability under the Companies Act (Cap. 22, Act 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is One Nexus Way, Camana Bay, Grand Cayman KY1-9005, Cayman Islands.

The Group is principally engaged in the provision of property management and operational services, community living services and value-added services to non-property owners in the People's Republic of China (the "**PRC**").

The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The ultimate holding company of the Company is Sunac China Holdings Limited ("**Sunac China**"), an exempted company incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of the Stock Exchange.

These financial statements are presented in Renminbi ("**RMB**"), unless otherwise stated.

2. ACCOUNTING POLICY INFORMATION

The accounting policies adopted by the Group are consistent with those of the previous financial year and corresponding interim reporting period, except for the estimation of income tax and the adoption of new and amended standards as set out below.

(A) New and amended standards adopted by the Group

The Group has applied the following amendment for the first time for their annual reporting period commencing on 1 January 2025:

Amendments to HKAS 21 – Lack of Exchangeability

The amendment listed above did not have any significant impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(B) New standards and interpretations not yet adopted by the Group

Certain new or amended accounting standards and annual improvements have been published but are not mandatory for 2025 interim reporting period and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

	Effective for the financial year beginning on or after
Amendments to the Classification and Measurement of Financial Instruments – Amendments to HKFRS 9 and HKFRS 7	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18, 'Presentation and Disclosure in Financial Statements' and HK Interpretation 5 – Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
HKFRS 19, 'Subsidiaries without Public Accountability: Disclosures'	1 January 2027

3. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Chief Operating Decision Makers ("**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.

During the six months ended 30 June 2025, the Group is principally engaged in the provision of property management and operational services, community living services and value-added services to non-property owners in the PRC. The management reviewed the operating results of the business by region in the PRC, but these operating segments are aggregated into a single operating segment as the nature of services, the type of customers for services, the methods used to provide their services and the nature of regulatory environment are similar in different regions.

The principal operating entities of the Group are domiciled in the PRC. Accordingly, all of the Group's revenue was derived in the PRC during the six months ended 30 June 2025.

As at 30 June 2025 and 31 December 2024, nearly 100% of the non-current assets of the Group were located in the PRC.

4. REVENUE OF SERVICES

Revenue mainly comprises of proceeds from property management and operational services, community living services and value-added services to non-property owners. An analysis of the Group's revenue by category for the six months ended 30 June 2025 and 2024 was as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
Recognised over time		
– Property management and operational services	**3,292,305**	3,172,442
– Community living services	**106,103**	95,569
– Value-added services to non-property owners	**40,870**	89,781
	3,439,278	3,357,792
Recognised at a point in time		
– Community living services	**104,629**	116,463
– Value-added services to non-property owners	**2,698**	9,473
	107,327	125,936
	3,546,605	3,483,728

Contract liabilities

The Group has recognised the following revenue-related contract liabilities:

	30 June	31 December
	2025	2024
	RMB'000	*RMB'000*
Contract liabilities		
– Third parties	**1,630,956**	1,935,867
– Related parties	**1,916**	5,011
	1,632,872	1,940,878

5. EXPENSES BY NATURE

Expenses included in cost of sales, selling and marketing expenses, administrative expenses and net impairment losses on financial assets are analysed as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
Employee benefit expenses	**1,399,477**	1,347,157
Security, maintenance, cleaning and greening costs	**1,202,963**	1,108,199
Net impairment losses on financial assets	**345,951**	1,136,572
Utilities	**175,973**	135,705
Depreciation and amortisation	**70,724**	79,037
Consumable materials cost	**61,891**	64,017
Cost of goods sold	**26,752**	24,183
Travelling and entertainment expenses	**25,667**	39,274
Office and communication expenses	**13,948**	22,190
Others	**76,777**	95,951
	3,400,123	4,052,285

6. INCOME TAX EXPENSE/(CREDITS)

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
Current income tax	**126,253**	113,525
Deferred income tax	**(78,797)**	(298,654)
	47,456	(185,129)

7. EARNINGS/(LOSS) PER SHARE

The basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the six months ended 30 June 2025 and 2024.

The Company did not have any potential ordinary shares outstanding to be issued during the six months ended 30 June 2025 and 2024. Diluted earnings/(loss) per share is equal to basic earnings/(loss) per share.

	Six months ended 30 June	
	2025	2024
Profit/(loss) attributable to the owners of the Company (RMB'000)	**121,866**	(472,234)
Weighted average number of ordinary shares in issue	**3,056,844,000**	3,056,844,000
Basic earnings/(loss) per share for profit/(loss) attributable to the owners of the Company during the period (expressed in RMB per share)	**0.04**	(0.15)

8. DIVIDENDS

No interim dividend for the six months ended 30 June 2025 was proposed by the Board (for the six months ended 30 June 2024: Nil).

9. TRADE AND OTHER RECEIVABLES

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
Non-current –		
Other receivables (ii)	**53,431**	244,587
Less: loss allowance	**(2,305)**	(95,061)
Non-current total	**51,126**	149,526
Current –		
Trade receivables (i)	**7,175,939**	6,488,168
Other receivables (ii)	**1,014,802**	812,247
	8,190,741	7,300,415
Less: loss allowance	**(4,291,208)**	(3,859,763)
Current total	**3,899,533**	3,440,652

As at 30 June 2025 and 31 December 2024, the carrying amounts of the Group's trade and other receivables were all denominated in RMB.

(i) Trade receivables mainly arise from property management and operational services managed under lump sum basis and value-added services. Revenue from property management and operational services, community living services and value-added services to non-property owners are due for payment upon rendering of service. As at 30 June 2025, the Group's trade receivables from related parties amounted to approximately RMB3,266.73 million (31 December 2024: RMB3,286.29 million) and trade receivables from the third parties amounted to approximately RMB3,909.21 million (31 December 2024: RMB3,201.88 million). The ageing analysis of trade receivables based on dates of rendering of services is as follows:

	30 June 2025 *RMB'000*	31 December 2024 *RMB'000*
Within 1 year	**2,886,070**	1,876,616
1 to 2 years	**1,188,704**	937,925
2 to 3 years	**495,441**	1,157,518
3 to 4 years	**1,730,662**	2,284,951
4 to 5 years	**793,940**	174,592
Over 5 years	**81,122**	56,566
	7,175,939	6,488,168

(ii) Other receivables mainly include refundable deposit paid to related parties, the payments on behalf of property owners in respect of utilities costs and the lease receivables in the sublease. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

10. TRADE AND OTHER PAYABLES

	30 June 2025 *RMB'000*	31 December 2024 *RMB'000*
Trade payables (i)	**1,054,620**	1,141,964
Temporary receipt on behalf (ii)	**364,184**	402,015
Deposit payables	**349,048**	353,986
Payroll and welfare payables	**312,701**	349,250
Other taxes payable	**163,163**	166,943
Deposit of the equity transaction	**150,000**	–
Amounts due to related parties (iii)	**54,972**	62,143
Consideration payable arising from non-controlling shareholders' put option (iv)	**–**	218,296
Accruals and others	**116,518**	146,871
	2,565,206	2,841,468

As at 30 June 2025 and 31 December 2024, trade and other payables were denominated in RMB and the carrying amounts approximated their fair values.

(i) The ageing analysis of trade payables based on the invoice date was as follows:

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
Within 1 year	**881,309**	934,962
1 to 2 years	**35,921**	51,189
2 to 3 years	**76,509**	110,390
Over 3 years	**60,881**	45,423
	1,054,620	1,141,964

(ii) Temporary receipt on behalf mainly represented the proceeds received from property owners in respect of utilities costs and miscellaneous income on common area resources payable to property owners.

(iii) The amounts due to related parties mainly represented the temporary receipt on behalf which was unsecured and interest free.

(iv) The put option was granted to the non-controlling shareholders of certain subsidiary of the Group who had the right to sell the remaining equity interests in the relevant subsidiary to the Group at any time. The put option meets the definition of a financial liability as the Group does not have an unconditional right to avoid delivering cash or another financial asset to settle a contractual obligation. The financial liability is recognised based on the present value of the redemption amount for the acquisition of the remaining equity interests upon the exercise. The subsequent changes in the put liability's carrying amount is recorded in equity.

On 29 April 2025, the Group entered into an equity transaction agreement with Guangxi Laozhangjia Property Services Co., Ltd. ("**Guangxi Laozhangjia**") to dispose of its 80% equity interest in Guangxi Zhangtai Sunac Smart City Operation and Management Co., Ltd. ("**Guangxi Zhangtai Sunac Smart**") at a total consideration of RMB826.62 million. Pursuant to this agreement, the original clause related to put option was cancelled no matter this agreement was terminated or not finally. Accordingly, management reversed such consideration payable and reserves within equity. As at 30 June 2025, this transaction had not been completed yet. For details, please refer to the announcements of the Company dated 29 April 2025 and 18 July 2025, respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

1. Revenue

For the six months ended 30 June 2025, the Group recorded revenue of approximately RMB3,546.6 million, representing an increase of approximately RMB62.9 million (approximately 1.8%) as compared with approximately RMB3,483.7 million for the six months ended 30 June 2024. The increase in revenue was primarily due to the increase in revenue from property management and operational services. The following tables set forth the details of the Group's total revenue by source and business line for the periods indicated:

By source:

	For the six months ended 30 June				
	2025		2024		Growth rate
	RMB'000	***%***	*RMB'000*	*%*	*%*
Third parties	**3,443,311**	**97.1**	3,390,067	97.3	1.6
Related parties	**103,294**	**2.9**	93,661	2.7	10.3
Total	**3,546,605**	**100.0**	3,483,728	100.0	1.8

By business line:

	For the six months ended 30 June				
	2025		2024		Growth rate
	RMB'000	***%***	*RMB'000*	*%*	*%*
Property management and operational services	**3,292,305**	**92.8**	3,172,442	91.1	3.8
Community living services	**210,732**	**6.0**	212,032	6.1	–0.6
Value-added services to non-property owners	**43,568**	**1.2**	99,254	2.8	–56.1
Total	**3,546,605**	**100.0**	3,483,728	100.0	1.8

Revenue from property management and operational services recorded an increase of approximately 3.8% as compared to the same period last year. As for value-added services to non-property owners, revenue for the six months ended 30 June 2025 recorded a continuous decline as there was no significant improvement in the real estate industry, the business volume contracted, and the Group continuously adjusted the business based on the principle of marketization.

Property management and operational services

For the six months ended 30 June 2025, the Group's revenue from property management and operational services was approximately RMB3,292.3 million, representing an increase of approximately RMB119.9 million (approximately 3.8%) as compared with that for the six months ended 30 June 2024, which was mainly attributable to the increase in gross floor area ("**GFA**") under management that was in line with the Group's business expansion. In particular, the revenue from the development of properties by Sunac Group, its joint ventures and associates[1] amounted to approximately RMB2,376.3 million, accounting for approximately 72.2%, and revenue from the development of properties by independent third-party property developers[2] amounted to approximately RMB916.0 million, accounting for approximately 27.8%. By type of projects, revenue from residential properties was approximately RMB2,709.2 million, accounting for approximately 82.3%; revenue from non-residential properties was approximately RMB583.1 million, accounting for approximately 17.7%.

Community living services

For the six months ended 30 June 2025, the Group's revenue from community living services was approximately RMB210.7 million, basically same as the six months ended 30 June 2024.

Notes:

1: Including properties developed independently by Sunac China and its subsidiaries, excluding the Group ("**Sunac Group**"), and jointly with other property developers.

2: Including properties other than those developed independently by Sunac Group or jointly with other property developers.

The following table sets forth the components of the Group's revenue from community living services for the periods indicated:

	For the six months ended 30 June			
	2025		2024	
	RMB'000	***%***	*RMB'000*	*%*
Convenient living services for property owners	**120,266**	**57.1**	113,082	53.3
Park operation services	**90,466**	**42.9**	98,950	46.7
Total	**210,732**	**100.0**	212,032	100.0

Convenient living services for property owners mainly include community product sales, house cleaning and home repair and maintenance services, partial house renovation and transformation, water sales through community automatic water dispensers, community charging station charging and property agency services, etc., tailored to meet the needs of property owners. Revenue from convenient living services for property owners for the six months ended 30 June 2025 was approximately RMB120.3 million, representing an increase of approximately RMB7.2 million as compared with that for the six months ended 30 June 2024. Such increase was mainly due to the Group's continuous focus on developing its core flagship products during the Period and the ongoing optimization of the linkage mechanism between the living services business and property management services business.

Park operation services mainly include the park site resource leasing and the renovation and construction waste cleaning services, etc. Revenue from park operation services for the six months ended 30 June 2025 was approximately RMB90.5 million, representing a decrease of approximately RMB8.5 million as compared with that for the six months ended 30 June 2024. Such decrease was mainly due to the decrease in the revenue from renovation and construction waste cleaning services, resulting from the corresponding decrease in the renovation volume of property owners, which led by the year-on-year decrease in the scale of property management projects delivered by developers during the Period.

Value-added services to non-property owners

For the six months ended 30 June 2025, the Group's revenue from value-added services to non-property owners amounted to approximately RMB43.6 million, representing a decrease of approximately RMB55.7 million (approximately 56.1%) as compared with approximately RMB99.3 million for the six months ended 30 June 2024. It was mainly due to the fact that revenue for the six months ended 30 June 2025 continuously declined as the business volume for the real estate contracted, while the Group continued to undertake such business based on the principle of marketization.

The following table sets forth the components of the Group's revenue from value-added services to non-property owners for the periods indicated:

	For the six months ended 30 June			
	2025		2024	
	RMB'000	*%*	*RMB'000*	*%*
Sales assistance services	**19,960**	**45.8**	39,503	39.8
Consultancy and other value-added services	**13,425**	**30.8**	34,245	34.5
Others	**10,183**	**23.4**	25,506	25.7
Total	**43,568**	**100.0**	99,254	100.0

2. Cost of Sales

The Group's cost of sales refers to the costs directly related to the provision of services, including (i) staff cost, mainly related to on-site staff providing property management and operational services at properties under management; (ii) security, maintenance, cleaning and greening costs in connection with sub-contracting services; (iii) utilities cost; (iv) cost of consumable materials; (v) depreciation and amortisation; (vi) office, travelling and communication cost; and (vii) other cost such as community activity cost.

The Group's cost of sales amounted to approximately RMB2,775.1 million for the six months ended 30 June 2025, representing an increase of approximately RMB179.8 million (approximately 6.9%) as compared with approximately RMB2,595.3 million for the six months ended 30 June 2024.

3. Gross Profit and Gross Profit Margin

The Group's gross profit amounted to approximately RMB771.5 million for the six months ended 30 June 2025, representing a decrease of approximately RMB116.9 million (approximately 13.2%) as compared with approximately RMB888.4 million for the six months ended 30 June 2024. The Group's gross profit margin for the six months ended 30 June 2025 was approximately 21.8%, representing a decrease of approximately 3.7 percentage points from 25.5% for the six months ended 30 June 2024. The decrease in gross profit margin was mainly attributable to the decrease in the gross profit margin of property management and operational services.

The following table sets forth the details of the Group's gross profit and gross profit margin by business lines for the periods indicated:

	For the six months ended 30 June			
	2025		2024	
	Gross Profit	**Gross Profit Margin**	Gross Profit	Gross Profit Margin
	RMB'000	***%***	*RMB'000*	*%*
Property management and operational services	**663,628**	**20.2**	756,600	23.8
Community living services	**94,666**	**44.9**	93,396	44.0
Value-added services to non-property owners	**13,244**	**30.4**	38,428	38.7
Total	**771,538**	**21.8**	888,424	25.5

The gross profit margin of property management and operational services decreased from approximately 23.8% for the six months ended 30 June 2024 to approximately 20.2% for the six months ended 30 June 2025, which was mainly due to the Group's deferral of revenue recognition for certain third-party customers for whom the Group fulfilled its performance obligations but collection risks were high, as well as increased repair and maintenance costs resulting from the expiration of warranties on projects delivered in the recent years.

4. **Administrative Expenses**

For the six months ended 30 June 2025, the Group's administrative expenses amounted to approximately RMB257.3 million, representing a decrease of approximately RMB37.2 million from approximately RMB294.5 million for the six months ended 30 June 2024. The decrease in administrative expenses was mainly attributable to the Group's ongoing efforts in implementation of intensive management and optimizing the management structure while developing its businesses, so as to save cost expenditures.

5. **Selling and Marketing Expenses**

For the six months ended 30 June 2025, the Group's selling and marketing expenses amounted to approximately RMB21.8 million, representing a decrease of approximately RMB4.1 million from approximately RMB25.9 million for the six months ended 30 June 2024, which was mainly attributable to the Group's ongoing intensive management efforts alongside business expansion, which included optimizing staffing structures and enhancing control over marketing expenditure efficiency, thereby increasing the return on investment.

6. **Net Impairment Losses on Financial Assets**

For the six months ended 30 June 2025, the Group's net impairment losses on financial assets amounted to approximately RMB346.0 million, in which, the net impairment losses on financial assets from related parties amounted to approximately RMB80.1 million, while the net impairment losses on financial assets from third parties amounted to approximately RMB265.9 million. During the Period, in light of the decline in the value of collateral pledged for repayment of amounts due from related parties, the Group further made impairment provisions on trade receivables from related parties. In addition, the rate of repayment from third-party property owners for whom the Group provided property management and operational services continuously slowed down, resulting in an increase in the credit risk of the Group's trade receivables from third parties and hence an increase in the provision for impairment on trade receivables from third parties.

7. **Finance Income, Net**

The Group's finance income mainly represents the interest income on bank deposits, and finance costs mainly represent the Group's interest of lease liabilities charged to profit or loss over the lease period under certain of its lease arrangements.

For the six months ended 30 June 2025, the Group's net finance income amounted to approximately RMB11.3 million, representing a decrease of approximately RMB12.2 million from approximately RMB23.5 million for the six months ended 30 June 2024. The change was mainly due to the decrease in cash balance and lower interest rate for bank deposits comparing to the same period last year, resulting in the decrease in interest income on the Group's deposits by approximately RMB12.5 million as compared to the same period last year.

8. **Net Profit/Loss**

For the six months ended 30 June 2025, the Group's net profit amounted to approximately RMB141.5 million, in which, the profit attributable to the owners of the Company was approximately RMB121.9 million. For the six months ended 30 June 2024, the Group's net loss amounted to approximately RMB460.4 million, and the loss attributable to the owners of the Company was approximately RMB472.2 million.

9. **Trade and Other Receivables**

Trade and other receivables include trade receivables and other receivables.

As at 30 June 2025, the Group's net trade and other receivables (including current and non-current) were approximately RMB3,950.7 million, representing an increase of approximately RMB360.5 million as compared with approximately RMB3,590.2 million as at 31 December 2024, which was mainly due to the increase in the Group's gross trade receivables by approximately RMB687.8 million as compared to the end of the last year and the increase in impairment provision on trade and other receivables by approximately RMB338.7 million as compared to the end of the last year. The increase in gross trade receivables was mainly due to the continuous slowdown in the rate of repayment from third-party property owners affected by the changes in the external environment during the Period and the revenue from property management and operational services being mostly collected in the second half of the year affected by the payment habits of third-party property owners for property management and operational services of the Group. The increase in impairment provisions was mainly due to the fact that the Group further made impairment provisions on trade receivables for the sake of prudence.

10. Trade and Other Payables

Trade and other payables include trade payables, temporary receipt on behalf, deposits payables, payroll and welfare payables, etc.

As at 30 June 2025, the Group's trade and other payables were approximately RMB2,565.2 million, representing a decrease of approximately RMB276.3 million from approximately RMB2,841.5 million as at 31 December 2024, which was mainly due to the decrease in consideration payable arising from non-controlling shareholders' put option.

11. Available Funds, Financial and Capital Resources

As at 30 June 2025, the total amount of available funds (including cash and cash equivalents, restricted cash, bank deposits with the maturity over three months and wealth management products) of the Group was approximately RMB3,044.5 million, representing a decrease of approximately RMB1,024.3 million from approximately RMB4,068.8 million as at 31 December 2024, which was mainly due to the net cash outflows from the payment of dividends during the Period and operating activities. As at 30 June 2025, all of the Group's wealth management products were products at medium-low risk, all being either demand deposits or maturing within four months after 30 June 2025.

As at 30 June 2025, the Group's net current assets (current assets less current liabilities) amounted to approximately RMB2,434.3 million (31 December 2024: approximately RMB2,454.3 million). The Group's current ratio (calculated by dividing current assets by current liabilities) was approximately 1.5 times (31 December 2024: approximately 1.5 times).

As at 30 June 2025, the Group had no loans or borrowings (31 December 2024: Nil). As at 30 June 2025, the gearing ratio (as calculated by dividing total borrowings less lease liabilities by total equity as at the date indicated and multiplied by 100%) was nil (as at 31 December 2024: Nil).

The Group meets and expects to continue meeting its operating capital, capital expenditure and other capital needs with cash generated from operations and proceeds from the Company's listing on the Main Board of the Stock Exchange.

12. Cash Flow

For the six months ended 30 June 2025, the Group's net cash outflow from operating activities was approximately RMB691.1 million (for the six months ended 30 June 2024: net outflow of approximately RMB492.1 million). The increase in net cash outflow from operating activities was mainly due to the continuous slowdown in the rate of repayment from third-party property owners affected by the changes in the external environment during the Period. The net cash outflow from investing activities was approximately RMB819.7 million (for the six months ended 30 June 2024: net outflow of approximately RMB780.6 million), mainly due to the net outflow from the Group's purchase of wealth management products. The net cash outflow from financing activities was approximately RMB465.8 million (for the six months ended 30 June 2024: net outflow of approximately RMB528.3 million), mainly due to the net cash outflow from the payment of dividends by the Company.

13. Interest Rate Risk

As the Group has no material interest-bearing assets and liabilities, the Group's income and operating cash flows are substantially independent from changes in market interest rates.

14. Foreign Exchange Risk

The Group's operating activities are principally conducted in the PRC and most of its operations are denominated in RMB. The Group will closely monitor the fluctuations of the RMB exchange rate and give prudent consideration as to entering into currency swap arrangement as and when appropriate for hedging corresponding risks. As at 30 June 2025, the Group had no significant foreign exchange risk and had not engaged in hedging activities for managing foreign exchange risk.

15. Pledge of Assets

As at 30 June 2025, none of the assets of the Group were pledged (as at 31 December 2024: Nil).

16. Contingent Liabilities

As at 30 June 2025, the Group did not have any material contingent liabilities (as at 31 December 2024: Nil).

BUSINESS REVIEW AND OUTLOOK

Review of the First Half of 2025

In the first half of 2025, the property management industry faced more challenges than before. Government authorities enhanced their focus on livelihood industries with stricter policy supervision. Besides, in property owners' end, they became increasingly sensitive to property management fee level, and their demand for cost-effective services became more urgent. The industry is undergoing transformations on its path toward marketization, and the Group believes that only by staying true to its core principles, maintaining strategic resolve, and proactively adapting, evolving, adjusting and innovating in strategies can we navigate the cycle and embrace new development opportunities.

For the six months ended 30 June 2025, the Group achieved revenue of approximately RMB3.547 billion, representing a year-on-year increase of approximately 2%. Benefiting from the Group's effective control on selling and marketing expenses and administrative expenses and a significant reduction in impairment provisions for trade receivables from related parties, the Group recorded profit attributable to owners of the Company for the Period of approximately RMB122 million, compared with a loss in the same period of 2024. During the Period, the Group's gross profit decreased as compared to the same period last year, primarily attributable to two factors: (1) the Group's deferral of revenue recognition for certain third-party customers for whom the Group fulfilled its performance obligations but collection risks were high; and (2) the increased repair and maintenance costs resulting from the expiration of warranties on projects delivered in the recent years.

In the first half of 2025, the Group maintained a stable development trend in its overall management scale. As of 30 June 2025, the Group's GFA under management reached approximately 293 million square meters, and the annual saturated revenue of projects under management increased to approximately RMB7.2 billion, among which, strategically core cities accounted for approximately 87% of the saturated revenue. In the first half of 2025, the Group achieved an annual contract value of approximately RMB180 million in market expansion, representing a year-on-year growth of approximately 8%. The Group further refined its strategic focus on strategically core cities, conducting detailed analysis to identify the development potential and management density of core cities. For cities with development potential, the Group deepened its expansion efforts, with the annual contract value of potential cities accounting for approximately 91%. Meanwhile, the Group proactively laid out its industrial customers aligned with national policy directions and with broad development prospects, including the new energy vehicle industry, the financial industry, the technology industry, and elderly care industry.

The Group believes that in a challenging market environment, adhering to the consistency between quality and price and forging the core competitiveness of products are the fundamental guarantees to navigate the cycle. The residential segment is the Group's strategic key business, particularly in the mid-to-high-end residential service sector, where the Group has solid professional accumulation, rich management experience, and good customer reputation. We are committed to developing the mid-to-high-end residential service sector as the Group's signature product. In the first half of 2025, centering on the garden landscapes, water system landscapes, decorative landscapes, interactive park spaces and interactive indoor spaces of mid-to-high-end projects, the Group meticulously refined service standards and launched the "Harmonious Five Realms (融韵五境)" featured product to enhance mid-to-high-end customers' perception and recognition of its services. This also supported the Group's continued expansion of multiple mid-to-high-end existing residential projects in high-tier cities such as Shanghai and Tianjin, fully leveraging the product advantages in the mid-to-high-end residential service sector. As property owners' emotional needs continued to escalate, creating emotional value for property owners has become increasingly important while strengthening the product core identify. In the first half of 2025, the Group carefully developed the "Community Building" featured product, collaborating with multiple parties to continuously improve and promote the community council system, and effectively connecting property owner customers, grassroots government organizations and business resources to achieve co-governance, co-construction, and harmonious development.

In the first half of 2025, the structure and quality of the Group's living services business continued to improve. Faced with challenges such as declining delivery volumes, the rise of new media, and property owners' increasing demand for greater autonomy over community spaces, traditional space resource leasing and other park space operation-related businesses faced growth pressures. The Group actively integrated merchant resources surrounding communities, cultivated its own leasing and operational capabilities, and developed convenience-oriented advertising and market exhibition businesses in line with property owners' needs, refining solutions that integrated space resources with private domain traffic. Meanwhile, the Group continued to focus on the development of convenient living services business for property owners, and provide convenient living services business for property owners such as community product sales, home repairs, partial house refurbishment and renovation, housekeeping and leasing and sales tailored to the needs of C-end property owners. While overall revenue and gross profit for living services business remained largely stable in the first half of 2025, the convenient living services business for property owners achieved growth in both revenue and gross profit. The Group has developed core products to continuously enhance property owners' confidence and understanding on property value-added services, increasing property owner engagement. The number of property owner-users grew by approximately 139% year-on-year, and the volume of service orders increased by approximately 2.5 times year-on-year. Building on the continuous improvement of products and services, the Group has continued to promote organizational synergy, clearly defining responsibilities with shared accountability, while also enabled revenue-sharing and energizing dynamics, thereby fully leveraging the advantages of conducting living services business under the property scenarios.

In terms of commercial operations, the Group continuously innovated its business scenarios in response to evolving market conditions, and upgraded its experiential business formats, injecting new vitality into its commercial activities and driving stable growth in both customer traffic and sales for its operation management projects. In the first half of 2025, the projects operated under management by the Group achieved sales exceeding RMB3.8 billion, representing a year-on-year growth of approximately 2%; and customer traffic reaching approximately 70 million visits, representing a year-on-year increase of approximately 2%. Regarding operational model innovation, Chengdu Global Center leveraged its cultural tourism features to further enhance its entertainment and experiential offerings based on its existing large-scale indoor water entertainment and experiential business, through the introduction of DeyunShe's (德雲社) first Southwest

China venue, talk show theaters, and trendy fitness brands. Sunac's World of Dianchi Lake, Kunming (昆明融創滇池後海), leveraging its unique local cultural attributes and advantages, continuously upgraded its cultural experiences, held activities such as the Daile Water Splashing Festival (傣泐潑水節) and immersive boat tours, and introduced cultural exhibition halls showcasing distinctive local characteristics. These activities aimed to drive consumption through experiential offerings, revitalize traditional business with new business, and unleash new vitality in commercial operations.

Outlook of the Second Half of 2025

Looking ahead, the property management industry continues to face pressures and challenges, but these pressures and challenges also give rise to a future of resilient development. Policy directions have become clearer, guiding the industry toward healthy and long-term development. The increasingly exacting demands from customers on both service and price makes property management companies to become more refined in their management. The more intensified market competition has raised requirements for property management companies to possess more comprehensive capabilities.

The Group firmly believes that only by strengthening their foundations and adapting proactively to change can property management companies survive healthily and develop with quality over the long term. The Group will adhere to its bottom lines, make strategic choices, and resolutely ensure the quality of its overall operations; maintain stable service quality and improve customer perception; and preserve its team's professional and pragmatic attitude as well as its resilient spirit. At the same time, the Group will remain focused on deepening its presence in high-end residential and industrial integrated office sectors, developing flagship living service products, and strengthening its service and product identity, thereby ensuring a solid foundation for healthy and sustainable growth. In the face of changes and challenges, the Group will promote the structure improvement in a flatter and more efficient way, embrace new technologies to enhance management efficiency, adjust business models to optimize costs, and build more positive ecosystem relationships, thereby making breakthroughs and adjustments and gathering strength to move forward.

OTHER INFORMATION

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

As at 30 June 2025, there is no treasury shares held by the Company.

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the six months ended 30 June 2025.

SIGNIFICANT INVESTMENT, ACQUISITIONS AND DISPOSALS

On 29 April 2025, Rising Far (BVI) Investment Limited ("**Rising Far (BVI)**"), a wholly-owned subsidiary of the Company, entered into an equity transaction agreement with Guangxi Laozhangjia and others, pursuant to which, Rising Far (BVI) will transfer the 80% equity interest it indirectly holds in Guangxi Zhangtai Sunac Smart to Guangxi Laozhangjia at a consideration of RMB826.62 million through relevant transaction arrangements (the "**Transaction**"), thereby achieving the Group's full exit from Zhangtai Service Group Company Limited and its subsidiaries ("**Zhangtai Services Group**"). The agreement stipulates that the parties shall ensure that the completion date of the Transaction shall not be later than 15 July 2025 (the "**Latest Completion Date of the Transaction**"). Except for in cases of default stipulated, if the Transaction is not completed by the Latest Completion Date of the Transaction, the parties may negotiate to determine a new latest completion date of the Transaction. If no agreement is reached by 18 July 2025, the Transaction will be terminated, and none of the parties shall bear any liability for breach of contract in connection with the termination of the Transaction. As additional time is required to complete the Transaction, on 18 July 2025, the parties entered into a supplemental agreement, jointly confirming and agreeing to change the aforementioned stipulated dates from 15 July 2025 to 31 August 2025, and from 18 July 2025 to 3 September 2025. For details, please refer to the announcements of the Company dated 29 April 2025 and 18 July 2025, respectively. Upon completion of the Transaction, the Group will no longer hold any equity interest in Zhangtai Services Group.

As at 30 June 2025, the Group held financial assets (including current and non-current) at fair value through profit or loss of approximately RMB991 million, which mainly represented equity investments in an unlisted company and certain wealth management products with medium-low risks, and no single investment accounted for 5% or more of the Group's total assets.

Save as disclosed above, there were no significant investments held, material acquisitions or disposals of subsidiaries, associates or joint ventures by the Group during the six months ended 30 June 2025.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed above and as of the date of this announcement, there was no other significant event that had an effect on the Group.

COMPLIANCE WITH THE 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**") contained in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") as the guidelines for the Directors' dealings in securities of the Company. Following specific enquiries of all Directors, all Directors confirmed that they have complied with the required standards as set out in the Model Code in relation to their securities dealings (if any) during the six months ended 30 June 2025.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has adopted the Corporate Governance Code (the "**Corporate Governance Code**") contained in Appendix C1 to the Listing Rules as its own code on corporate governance and had complied with all applicable code provisions of the Corporate Governance Code for the six months ended 30 June 2025.

The Board recognises and appreciates the importance and benefits of good corporate governance practices and has adopted corporate governance and disclosure practices for achieving a higher standard of transparency and accountability. The Board members will have regular discussions about the performance and business strategies of the Group. They, together with the relevant senior executives of the Company, have also attended training on the Listing Rules and other regulatory requirements. The Company has established an internal reporting practice within the Group in order to monitor the operation and business development of the Group.

AUDIT COMMITTEE

The Company has established an audit committee (the "**Audit Committee**") with written terms of reference in compliance with the Listing Rules and the Corporate Governance Code. The Audit Committee currently consists of three independent non-executive Directors, namely, Mr. Yao Ning, Ms. Wang Lihong and Mr. Zhao Zhonghua, and is chaired by Mr. Yao Ning who possesses the qualification of professional accountant. The primary duties of the Audit Committee are to assist the Board to fulfill the functions of reviewing and monitoring the financial reporting procedure, internal control and risk management systems of the Company, to review the Group's corporate governance policies and implementation and to perform other duties and responsibilities as assigned by the Board.

The Audit Committee has reviewed the accounting principles and practices adopted by the Company and discussed matters concerning the audit, internal control and risk management systems and financial reporting, including reviewing the Group's unaudited interim results for the six months ended 30 June 2025.

The Group's unaudited interim results for the six months ended 30 June 2025 have been reviewed by the Company's independent auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) as well as the website of the Company (www.sunacservice.com). The Company's interim report for the six months ended 30 June 2025 will be despatched to the shareholders of the Company based on the election of means of receipt and language of the Company's corporate communications by the shareholders of the Company and published on the above websites in due course.

CHANGE IN USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

References are made to the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated 9 November 2020 (the "**Prospectus**"), the announcements of the Company dated 13 December 2020, 8 November 2021, 29 August 2022 and 1 November 2024 (the "**Announcements**") in relation to, among other things, the change of use of Net Proceeds, and the annual report of the Company for the year ended 31 December 2024 (the "**Annual Report**"), in which the utilisation of the Net Proceeds up to 31 December 2024 was disclosed. Unless otherwise defined in this announcement, capitalized terms used in the section headed "Change in Use of Net Proceeds from the Global Offering" in this announcement have the same meanings as those defined in the Prospectus, the Announcements and the Annual Report.

Change in Use of the Unutilised Net Proceeds

On 30 June 2025, the total unutilised Net Proceeds from the Global Offering reached approximately HK$2,151 million. As at the date of this announcement, the Board has resolved to change the intended use and allocation of the unutilised Net Proceeds in the following manner:

Use of Net Proceeds	Revised allocation of the Net Proceeds (taking into account the revisions as set out in the announcement dated 29 August 2022)		Utilised Net Proceeds from the Listing Date to 30 June 2025	Unutilised Net Proceeds as at 30 June 2025	Revised allocation of the unutilised Net Proceeds		Original expected timetable for full utilisation of the balance	Revised expected timetable for full utilisation of the balance *(Note)*
	HK$ (100 million) approximately	*Approximate percentage*	*HK$ (100 million) approximately*	*HK$ (100 million) approximately*	*HK$ (100 million) approximately*	*Approximate percentage*		
(a) Strategic investment and acquisition opportunities with companies engaged in property management and/or community operations	**54.04**	**60%**	**35.66**	**18.38**	**6.38**	**30%**	**On or before 31 December 2026**	**On or before 31 December 2028**
(i) To acquire, invest in or cooperate with other property management companies, companies which provide community products and services complementary to those of us, including companies engaging in areas such as, community medical care, smart management and education services, by utilising the expertise and experience of these companies and by tapping into the needs of the property owners and residents in these areas, in particular, for the Group's community value-added services; to acquire or invest in companies engaging in providing property management related services, such as security, cleaning, gardening or maintenance services providers.	32.14	36%			6.38	30%		
(ii) To acquire the Target Company which was an operation management company for the commercial operation segment of the Sunac Culture & Tourism Group	21.90	24%			–	–		

Use of Net Proceeds	Revised allocation of the Net Proceeds (taking into account the revisions as set out in the announcement dated 29 August 2022) *HK$ (100 million) approximately*	*Approximate percentage*	Utilised Net Proceeds from the Listing Date to 30 June 2025 *HK$ (100 million) approximately*	Unutilised Net Proceeds as at 30 June 2025 *HK$ (100 million) approximately*	Revised allocation of the unutilised Net Proceeds *HK$ (100 million) approximately*	*Approximate percentage*	Original expected timetable for full utilisation of the balance	Revised expected timetable for full utilisation of the balance *(Note)*
(b) Upgrading the Group's systems for smart management services and for the development of the smart communities	**7.68**	**9%**	**4.55**	**3.13**	**3.13**	**15%**	**On or before 31 December 2026**	**On or before 31 December 2028**
(i) To purchase and upgrade hardware for the deployment of smart devices and Internet of Things facilities	1.68	1%			0.83	3%		
(ii) Continuous upgrade and maintenance of the Group's smart community management platform and other internal business operation systems	3.00	4%			1.15	6%		
(iii) Continuous upgrade and development of smart living service platform	3.00	4%			1.15	6%		
(c) Further developing the community value-added services of the Group	**14.80**	**16%**	**14.80**	**0.00**	**3.60**	**16%**	**Not applicable**	**On or before 31 December 2028**
(i) To develop the Group's existing community value-added services, including community living, property interior decoration and community space operation services	7.65	8%			1.80	8%		
(ii) To upgrade hardware and information technology infrastructure, develop operation services for commercial facilities, as well as related trainings of employees, to enhance the operational efficiency and user experience for the Group's community value-added services	7.15	8%			1.80	8%		
(d) Working capital and general corporate purposes	**13.90**	**15%**	**13.90**	**0.00**	**8.40**	**39%**	**Not applicable**	**On or before 31 December 2028**
Total	90.42	100%	68.91	21.51	21.51	100%		

Note: The expected timetable for full utilisation of the balance is set based on the best estimation of the Company taking into account, among other factors, prevailing and future market conditions and business developments and needs, and therefore is subject to change.

Reasons and Benefits for the Change in Use of the Unutilised Net Proceeds

1. The Company has been proactively seeking strategic investment targets and opportunities for acquisitions since its listing, with feasibility studies and/or due diligence conducted on multiple potential acquisition targets and opportunities. Given the current overall economic landscape, the circumstances within the property management sector, coupled with the Company's development strategy, there is a limited availability of high-quality investment and M&A targets at reasonable valuations. The Company expects to require additional time to identify investment and M&A projects that match the Company's requirements regarding urban presence, business scope, service quality, and valuation criteria. Therefore, the Board believes that an appropriate reduction in the proceeds for this purpose will help enhance the Group's capital utilisation efficiency. Extending the expected timetable for full utilisation of the balance will enable the Company to fully explore and prudently select investment and M&A targets in line with its expected development pace. The Company's revised allocation of the unutilised Net Proceeds from the listing in relation to strategic investment and acquisition opportunities with companies engaged in property management and/or community operations has decreased by approximately HK$1.2 billion to approximately HK$638 million. The Company will continue to actively seek suitable investment and M&A targets and will comply with the applicable requirements of the Listing Rules when entering into any agreements or arrangements.

2. Due to multiple external factors such as policy guidance, economic environment, and customer demand, together with the impact of new real estate projects delivered in recent years, the Group's operating cash flow has undergone a phased adjustment. The Group has taken multiple measures to conduct a thorough survey and investigation for customer issues, and has actively devoted resources to rectify issues related to project maintenance and repair, so as to improve the service quality of the project park areas and promote the recovery of collection. Therefore, additional working capital is required to allocate resources. As of 30 June 2025, the portion of Net Proceeds from the listing originally allocated to working capital and general corporate purposes was fully utilised. Therefore, the Board believes that the adjustment of a portion of the proceeds for working capital and general corporate purposes will bolster the Group's working capital and enhance the flexibility of its financial management, which in turn facilitates the long-term and healthy operation of the Group. The Company's revised allocation of the unutilised Net Proceeds from the listing in relation to working capital and general corporate purposes has increased to approximately HK$840 million.

3. Developing the community living services business is one of the important strategies of the Group. The Group has proactively adjusted its development strategy, and strives to develop its convenient living services business for property owners centering on the needs of property owners and leveraging the advantages of properties, including community product sales, home delivery services, self-operated home improvement services, water dispensers, non-motorized vehicle charging stations, and rental and sales services. The development of the convenient living services business for property owners requires relatively long-term team capability cultivation and increased investment in marketing towards customers. As of 30 June 2025, the portion of Net Proceeds from the listing originally allocated to further developing the community value-added services of the Group was fully utilised. Therefore, the Board believes that by providing convenient, protective and affordable services to property owners, the adjustment of a portion of the proceeds to community living services business can increase the Group's revenue while improving property owner stickiness, thereby helping to further enhance the overall product and service capabilities of the Group and establish a competitive advantage. The Company's revised allocation of the unutilised Net Proceeds from the listing in relation to further developing the community value-added services of the Group has increased to approximately HK$360 million.

The Board considers that the change in use of the unutilised Net Proceeds and the timetable for utilisation of the Net Proceeds will more effectively address the Group's business and operational needs and better align with its latest business developments and future plans. The aforesaid changes are fair and reasonable, in the best interest of the Company and its shareholders as a whole and would not have a material adverse effect on the existing business operations of the Group. The Board also confirms that there is no material change in the business nature of the Group as set out in the Prospectus.

By order of the Board
Sunac Services Holdings Limited
Wang Mengde
Chairman

Hong Kong, 25 August 2025

As at the date of this announcement, the chairman of the Board and non-executive Director is Mr. Wang Mengde; the executive Directors are Ms. Cao Hongling and Ms. Yang Man; the non-executive Directors are Mr. Lu Peng and Mr. Gao Xi; and the independent non-executive Directors are Ms. Wang Lihong, Mr. Yao Ning and Mr. Zhao Zhonghua.