Xi'an Kingfar Property Services Co., Ltd.
西安經發物業股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1354)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL SUMMARY

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue	**588,537**	471,473
Gross profit	**87,941**	79,302
Gross profit margin	**14.94%**	16.82%
Profit for the period	**32,961**	32,098
Net profit margin	**5.60%**	6.81%
Profit attributable to owners of the Company	**32,758**	30,855
Basic earnings per share *(RMB per share)*	**0.49**	0.46

For the six months ended 30 June 2026, the total revenue of the Group was approximately RMB588.54 million, representing an increase of approximately 24.83% from approximately RMB471.47 million for the same period in 2025.

For the six months ended 30 June 2026, the gross profit of the Group was approximately RMB87.94 million, representing an increase of approximately 10.90% from approximately RMB79.30 million for the same period in 2025.

For the six months ended 30 June 2026, the profit of the Group was approximately RMB32.96 million, representing an increase of approximately 2.68% from approximately RMB32.10 million for the same period in 2025.

As at 30 June 2026, the Group had a total contracted area of approximately 34.86 million sq.m., including area under management of approximately 34.32 million sq.m..

The Board has resolved to declare an interim dividend of RMB0.20 per share for the six months ended 30 June 2026, subject to the approval at an extraordinary general meeting to be convened by the Company.

INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Xi'an Kingfar Property Services Co., Ltd. (the "**Company**") hereby announces the unaudited consolidated interim results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2026 (the "**Reporting Period**"), together with comparative figures for the six months ended 30 June 2025.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Notes	Six months ended 30 June **2026** *RMB'000* (Unaudited)	2025 *RMB'000* (Unaudited)
Revenue	3	**588,537**	471,473
Cost of sales		**(500,596)**	(392,171)
Gross profit		**87,941**	79,302
Other net gains		**629**	1,252
Administrative and other expenses		**(35,181)**	(32,134)
Research and development costs		**–**	(728)
Impairment loss on trade and other receivables		**(12,743)**	(3,771)
Profit from operations		**40,646**	43,921
Finance costs	4(a)	**(470)**	(1,950)
Profit before taxation	4	**40,176**	41,971
Income tax	5	**(7,215)**	(9,873)
Profit and total comprehensive income for the period		**32,961**	32,098
Attributable to:			
Equity shareholders of the Company		**32,758**	30,855
Non-controlling interests		**203**	1,243
Profit and total comprehensive income for the period		**32,961**	32,098
Earnings per share	6		
Basic and diluted *(RMB)*		**0.49**	0.46

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	**At 30 June 2026**	At 31 December 2025
		RMB'000	*RMB'000*
		(Unaudited)	(Audited)
Non-current assets			
Investment property and other plant and equipment	7	**170,394**	105,771
Intangible assets		**8,896**	7,107
Goodwill		**1,769**	1,769
Non-current prepayment		**–**	2,315
Deferred tax assets		**17,610**	15,409
		198,669	132,371
Current assets			
Inventories		**108**	255
Trade and other receivables	8	**486,619**	386,055
Prepayments		**9,779**	7,840
Cash at bank and on hand	9	**281,774**	445,515
		778,280	839,665
Current liabilities			
Trade and other payables	10	**552,090**	587,637
Contract liabilities		**50,895**	48,421
Lease liabilities		**827**	1,366
Current taxation		**5,943**	2,226
		609,755	639,650

	Notes	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Net current assets		**168,525**	200,015
Total assets less current liabilities		**367,194**	332,386
Non-current liabilities			
Long-term payables		**2,603**	2,603
Deferred income		**2,313**	743
Lease liabilities		**1,039**	762
		5,955	4,108
NET ASSETS		**361,239**	328,278
CAPITAL AND RESERVES			
Share capital	11	**66,667**	66,667
Reserves		**286,051**	253,293
Total equity attributable to equity shareholders of the Company		**352,718**	319,960
Non-controlling interests		**8,521**	8,318
TOTAL EQUITY		**361,239**	328,278

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to equity shareholders of the Company						
	Share capital	**Capital reserve**	**Statutory reserves surplus**	**Retained profits**	**Total**	**Non-controlling interests**	**Total equity**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January 2025 (Audited)	66,667	63,397	10,545	115,391	256,000	7,043	263,043
Changes in equity for the six months ended 30 June 2025							
Profit for the period and total comprehensive income	–	–	–	30,855	30,855	1,243	32,098
Purchase of minority shareholders' equity	–	12	–	–	12	(965)	(953)
Balance at 30 June 2025 (Unaudited)	66,667	63,409	10,545	146,246	286,867	7,321	294,188
Balance at 1 January 2026 (Audited)	**66,667**	**63,409**	**13,796**	**176,088**	**319,960**	**8,318**	**328,278**
Changes in equity for the six months ended 30 June 2026							
Profit for the period and total comprehensive income	**–**	**–**	**–**	**32,758**	**32,758**	**203**	**32,961**
Balance at 30 June 2026 (Unaudited)	**66,667**	**63,409**	**13,796**	**208,846**	**352,718**	**8,521**	**361,239**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
	Note	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Operating activities			
Cash used in operations		**(75,812)**	(39,799)
Tax paid		**(10,102)**	(13,950)
Net cash used in operating activities		**(85,914)**	(53,749)
Investing activities			
Payment for the purchase of property, plant and equipment		**(70,070)**	(8,795)
Other cash flows arising from investing activities		**3**	34
Net cash used in investing activities		**(70,067)**	(8,761)
Financing activities			
Other cash flows used in financing activities		**(7,760)**	(1,402)
Net cash used in financing activities		**(7,760)**	(1,402)
Net decrease in cash and cash equivalents		**(163,741)**	(63,912)
Cash and cash equivalents at 1 January		**445,501**	424,534
Cash and cash equivalents at 30 June	9	**281,760**	360,622

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the six months ended 30 June 2026

1. BASIS OF PREPARATION

Xi'an Kingfar Property Services Co., Ltd. (the "**Company**") was established in the People's Republic of China (the "**PRC**") on 5 December 2000 as a limited liability company under the Company Law of the PRC and converted into a joint stock company with limited liability on 29 December 2020. The address of the Company's registered office is Room 10701, Unit 1, Building 3, Xi'an Financial Innovation Center, No. 51 Fengcheng Second Road, Economic and Technological Development Zone, Xi'an, Shaanxi, PRC. The Company's H shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited on 3 July 2024.

The Company and its subsidiaries (together, the "**Group**") are principally engaged in the provision of city services, residential property management services and commercial property management services in the PRC.

The interim financial information of the Group for the six months ended 30 June 2026 have been prepared in accordance with the applicable disclosure provisions requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with International Accounting Standard ("**IAS**") 34 "Interim Financial Reporting" issued by the International Accounting Standard Board ("**IASB**").

The interim financial information contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the annual consolidated financial statements of the Group for the year ended 31 December 2025. The interim financial information do not include all of the information required for a full set of financial statements prepared in accordance with International Accounting Standard issued by the International Accounting Standard Board.

This interim financial information had not been audited.

2. CHANGES IN ACCOUNTING POLICIES

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025 except as described below.

In the current interim period, the Group has applied, for the first time, the following amendments to IFRS Accounting Standards issued by the IASB which are effective from the Group's financial year beginning on 1 January 2026:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11

The application of the amendments to IFRS Accounting Standards in the current interim period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are city services, residential property management services and commercial property management services.

Disaggregation of revenue

(i) Disaggregation of revenue from contracts with customers by timing of revenue recognition and principal activities lines is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Disaggregated by timing of revenue recognition		
Over time	**533,519**	448,048
Point in time	**55,018**	23,425
Total	**588,537**	471,473
Revenue from contracts with customers within the scope of IFRS 15		
City services	**375,565**	293,752
Residential property management services	**115,067**	103,615
Commercial property management services	**96,555**	72,416
	587,187	469,783
Revenue from other sources		
Gross rental income	**1,350**	1,690
Total	**588,537**	471,473

(b) Segment reporting

During the six months ended 30 June 2026, the Group is principally engaged in the provision of city services, residential property management services and commercial property management services in the PRC. Management views the operating results of the business as one segment to make decisions about resources to be allocated. Therefore, the management of the Company are of the view that there is only one segment which is used to make strategic decisions.

The Group generated all revenue in the PRC and no non-current assets of the Group are located outside the PRC. Accordingly, no analysis of geographic information is presented.

4. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Finance costs

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Interest on lease liabilities	**90**	35
Bank and other charges	**380**	571
Net exchange gain	**–**	1,344
	470	1,950

(b) Other items

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Amortisation	**874**	927
Depreciation charge		
– owned property, plant and equipment	**6,823**	5,740
– investment properties	**813**	176
– right-of-use assets	**419**	548
Interest income	**(242)**	(557)

5. INCOME TAX

Taxation in the consolidated statement of profit or loss represents:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current tax – PRC Corporate Income Tax	**9,416**	10,628
Deferred taxation	**(2,201)**	(755)
	7,215	9,873

Notes:

(i) The provision for PRC income tax is based on a statutory rate of 25% of the assessable income of the Company's mainland China subsidiaries as determined in accordance with the relevant income tax rules and regulations of the PRC.

(ii) Certain subsidiaries of the Company established in the PRC are entitled to tax benefits applicable to entities under the Third Phase of the Western Region Development Plan of the PRC, and enjoy a preferential PRC Corporate Income Tax rate of 15% for the calendar years from 2021 to 2030.

(iii) Certain subsidiaries of the Company satisfied the Inclusive Tax Deduction and Exemption Policies for Micro and Small Enterprises and are subject to a preferential income tax rate of 5% during the six months ended 30 June 2025 and 2026, respectively.

(iv) Certain subsidiaries of the Company are entitled to an additional 100% deduction of costs incurred for its employment of disabled individuals.

6. EARNINGS PER SHARE

(a) Basic and diluted earnings per share

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Profit attributable to owners of the Company	**32,758**	30,855

Weighted average number of ordinary shares

	Six months ended 30 June	
	2026	2025
	'000	*'000*
	(Unaudited)	(Unaudited)
Weighted average number of ordinary shares at 30 June	**66,667**	66,667

(b) Diluted earnings per share

Diluted earnings per share were the same as the basic earnings per share as the Group had no dilutive ordinary potential shares for the six months ended 30 June 2026 and 2025.

7. INVESTMENT PROPERTY AND OTHER PROPERTY, PLANT AND EQUIPMENT

(a) Right-of-use assets

During the six months ended 30 June 2026, the Group entered into several new lease agreements, including civil air defense parking spaces, with lease terms generally spanning 20 years. Accordingly, the Group recognised additions to right-of-use assets with an aggregate initial cost of approximately RMB7,771,000.

The leases of warehouse, office buildings and car parks are fixed lease payment term, the amount of fixed payments for the interim reporting period is summarised below:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Warehouse	**112**	114
Office buildings	**469**	697
Car Parks	**7,390**	–

(b) Acquisitions and disposals of owned assets

During the six months ended 30 June 2026, the Group acquired investment properties located in Xi'an with an aggregate initial cost of approximately RMB59,770,000. These acquisitions primarily comprise commercial units and standard parking spaces (six months ended 30 June 2025: RMB4,836,000 for property, plant and machinery).

During the six months ended 30 June 2026, the Group disposed of plant and machinery with a net book value of RMB5,000 (six months ended 30 June 2025: RMB2,589,000). No gain or loss was recognised on disposal for both periods.

8. TRADE AND OTHER RECEIVABLES

As of the end of the Reporting Period, the aging analysis of trade receivables and bills receivables (which are included in trade and other receivables), based on the date of revenue recognition is as follows:

	At 30 June	At 31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 year	**369,473**	271,721
1 to 2 years	**39,375**	34,177
2 to 3 years	**10,498**	7,125
Trade receivables and bills receivable, net of loss allowance	**419,346**	313,023
Other receivables, net of loss allowance	**63,478**	69,117
Financial assets measured at amortised cost	**482,824**	382,140
Tax recoverable	**3,795**	3,915
	486,619	386,055

9. CASH AND CASH EQUIVALENTS

	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Cash on hand	**10**	2
Cash at bank	**281,764**	445,513
Cash and cash equivalents in the statement of financial position	**281,774**	445,515
Less: restricted cash at bank	**(14)**	(14)
Cash and cash equivalents in the cash flow statement	**281,760**	445,501

10 TRADE AND OTHER PAYABLES

As of the end of the Reporting Period, the ageing analysis of trade payables and bills payables (which are included in trade and other payables), based on the invoice date, is as follows:

	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Within 1 year	**248,728**	231,638
Over 1 year	**1,748**	34,095
Total trade payables	**250,476**	265,733
Amounts due to related parties	**915**	1,642
Other payables and accrued expenses	**299,607**	314,528
Financial liabilities measured at amortised cost	**550,998**	581,903
Other taxes payable	**1,092**	5,734
	552,090	587,637

As at 30 June 2026, trade payables amounting to RMB71,544,000 were subject to supplier finance arrangements (31 December 2025: RMB85,184,000).

All payables under the arrangement are classified as current liabilities as at 30 June 2026 and 31 December 2025. The Group has entered into reverse factoring arrangements, under which the Group's suppliers may elect to receive early payment on the invoice amount from the banks. Payments to suppliers ahead of the invoice due date are processed by the banks. Under the arrangement, the banks agree to pay amounts due to participating suppliers in respect of invoices owed by the Group and the Group repays the banks at a later date. The principal purpose of this arrangement is to facilitate efficient payment processing and provide the willing suppliers early payment terms, compared with the related invoice payment due date.

As at 30 June 2026, the range of payment due dates for such supplier finance arrangements ranged from 60 to 120 days after the invoice date (31 December 2025: Ranged from 60 to 120 days), which is similar with the range of payment due dates for comparable trade payables that are not part of the supplier finance arrangements. All payables under the arrangement were settled by the banks to the suppliers as at 30 June 2026 and 31 December 2025 respectively.

The Group has not derecognised the original trade payables relating to the arrangement because neither a legal release was obtained nor was the original liability substantially modified on entering into the arrangement.

From the Group's perspective, the arrangement does not significantly extend payment terms beyond the normal terms agreed with other suppliers that are not participating; however, the arrangement does provide willing suppliers with the benefit of early payment. Additionally, the Group does not incur any additional interest and security towards the banks on the amounts due to the suppliers. The Group therefore includes the amounts subject to the arrangement within trade payables because the nature and function of these payables remains the same as those of other trade payables.

11. CAPITAL, RESERVES AND DIVIDENDS

Dividends

No dividends were paid or declared by the Company or its subsidiaries comprising the Group during the six months ended 30 June 2025 and 2026, respectively.

Subsequent to 30 June 2026, the Board of Directors resolved to declare an interim dividend of RMB 0.20 per share for the six months ended 30 June 2026, amounting to an aggregate of RMB13,333,360. The payment of the interim dividend is subject to the approval of the Company's shareholders at an extraordinary general meeting.

12. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair values of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair values as at 31 December 2025 and 30 June 2026, respectively.

13. MATERIAL RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Salaries, allowances and benefits in kind	**3,901**	3,829
Retirement scheme contributions	**347**	354
	4,248	4,183

(b) Significant related party transactions

During the six months ended 30 June 2026, the Group entered into the following transactions with its related parties:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Nature of related party transactions		
Render of services	**41,751**	26,660
Purchase of services	**5,794**	4,529
Payments to acquire assets *(Note)*	**60,555**	–
Expense relating to short-term leases	**745**	547

Note: On 5 December 2025, the Group entered into agreements with a related party, Xi'an Kingfar Real Estate Co., Ltd., to acquire commercial property units and obtain parking space lease and usage rights in a mixed-use office and commercial development in Xi'an. Upon completion of the acquisition in January 2026, the Group recognised right-of-use assets of approximately RMB7,390,000, net of tax, and investment properties of approximately RMB53,165,000, net of tax, in the consolidated statement of financial position, corresponding to the leased parking spaces and acquired property units, respectively.

(c) Balances with related parties

	At 30 June	At 31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Related party balances		
Trade in nature *(Note (i))*		
Trade receivables	**58,965**	64,000
Prepayments	**2,800**	701
Trade payables	**8,599**	9,922
Contract liabilities	**386**	293
Non-trade in nature		
Other receivables	**886**	293
Other payables	**915**	1,642

Note:

(i) The trade related balances with the related parties arose from the sale or purchase of goods or services with the related parties.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The Group is a state-owned comprehensive city service and property management service provider in Shaanxi Province with presence in Northwest China. The Group has, through over 20 years of development, established an important market position and built a renowned brand in the city service and property management industry in Shaanxi Province. Leveraging the market position of the Group in Shaanxi Province, the Group has also expanded its footprint from Northwest China to a broader range of cities. Currently, the operations of the Group had covered Xi'an, Tongchuan, Hancheng, Shihezi, Zhengzhou, Beijing, and other cities.

The H shares of the Company (the "**H Shares**") were listed (the "**Listing**") on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 3 July 2024 by way of global offering (the "**Global Offering**").

The table below sets forth (i) the Group's three primary business lines; (ii) the major services that the Group provided under each business line; (iii) the types of properties to which the Group provided services under each business line; and (iv) the major customers of each business line as at the date of this announcement:

Business Lines	Major Services	Property Profile	Major Customers
City Services	Public property management services	Public properties, such as government buildings, education institutes and hospitals	Government agencies and public authorities
	Municipal management services	Municipal properties, such as public facility and infrastructure	
	Municipal value-added services	Government buildings	
Residential Property Management Services	Basic property management services Value-added services	Residential properties	Property developers, property owners and residents
Commercial Property Management Services	Basic property management services Value-added services	Office buildings, industrial parks and factories	Property developers, property owners and tenants

As at 30 June 2026, the Group was contracted to provide public property management services, basic residential property management services and basic commercial property management services to 247 projects in China, with a total contracted area of approximately 34.86 million sq.m. (comprising total contracted outdoor area of approximately 12.71 million sq.m. and total contracted indoor gross floor area ("**GFA**") of approximately 22.15 million sq.m.), of which the Group had 243 projects in China under management, with an area under management of approximately 34.32 million sq.m. (comprising total outdoor area under management of approximately 12.71 million sq.m. and total indoor GFA under management of approximately 21.61 million sq.m.).

BUSINESS REVIEW

During the Reporting Period, the Group derived its revenue primarily from three business lines, namely, (i) city services; (ii) residential property management services; and (iii) commercial property management services.

Portfolio of Properties under Management

The following table sets forth the number of projects and area under the Group's management for city services, residential property management services and commercial property management services by business line as of the dates indicated:

	As at 30 June			
	2026		2025	
	Number of projects	**Area under management** *sq.m.'000* *(Note 1)*	Number of projects	Area under management *sq.m.'000* *(Note 1)*
City services	**148**	**21,802.6** *(Note 2)*	115	6,543.0 *(Note 3)*
Residential property management services	**50**	**8,681.7**	29	7,007.0
Commercial property management services	**45**	**3,837.5**	48	3,948.0
Total	**243**	**34,321.8**	192	17,498.0

Notes:

(1) For city services, this covers both outdoor area under management and indoor GFA under management; for residential property management services and commercial property management services, this refers to indoor GFA under management.

(2) Comprising total outdoor area under management of approximately 12,706,700 sq.m. and total indoor GFA under management of approximately 9,095,900 sq.m..

(3) Comprising total outdoor area under management of approximately 0 sq.m. and total indoor GFA under management of approximately 6,543,000 sq.m..

City Services

The Group commenced its city services in 2004. The Group primarily provides city services to government agencies and public authorities to improve the local environment and local residents' living experience. The city services of the Group primarily include: (i) public property management services, under which the Group provides cleaning, security, as well as common area facility repair and maintenance services to public properties, such as government buildings, education institutes and hospitals; (ii) municipal management services, under which the Group provides (a) cleaning and maintenance services for public facility and infrastructure, such as city roads, overpasses, underpasses and public lavatories; (b) municipal waste collection services through the waste compression stations that the Group operated; and (c) household garbage collection services to enterprises, residential communities, government agencies and public authorities; and (iii) municipal value-added services, which comprise catering services, public parking management services and commissioned administrative services.

Public Property Management Services

The Group provides property management services, including cleaning, security as well as common area facility repair and maintenance services, to public properties, such as government buildings, education institutes and hospitals.

As of 30 June 2026, the Group provided public property management services to 148 public properties with a total area under management of approximately 21.80 million sq.m., including a total area of buildings of approximately 9.09 million sq.m. and an area of common area of approximately 12.71 million sq.m..

Municipal Management Services

The municipal management services of the Group include (i) cleaning and maintenance services to ensure the cleanliness and normal operations of the public facility and infrastructure under the Group's management, including city roads, overpasses, underpasses and public lavatories; (ii) municipal waste collection services, under which the Group collects, transports, sorts, compresses and disposes municipal waste which primarily include trash, garbage and solid waste discarded by the public, through three waste compression stations that the Group operates as at 30 June 2026; and (iii) household garbage collection services, under which the Group collects, transports and disposes household garbage from enterprises, residential communities, government agencies and public authorities in Xi'an as at 30 June 2026.

Municipal Value-added Services

The Group provides a wide range of municipal value-added services, which comprise (i) commissioned administrative services where the Group is commissioned by government agencies to provide certain administrative services in the city halls and town halls to local citizens on their behalf; (ii) catering services where the Group provides catering services by preparing main courses and side dishes for its customers' regular group meals; and (iii) public parking management services where the Group was commissioned to manage street parking spaces in Jingkai District and the parking spaces located in public facility, and to collect parking fees.

Residential Property Management Services

The Group provides property developers, property owners and residents with a wide range of residential property management services, which comprise (i) basic property management services, including cleaning services, security services, common area facility repair and maintenance services and pre-delivery services; and (ii) value-added services, including private parking management services, sales office management services, catering services and other services.

As at 30 June 2026, the Group provided basic residential property management services to 50 residential properties with a total GFA under management of approximately 8.68 million sq.m..

Commercial Property Management Services

The Group provides property developers, property owners and tenants of commercial properties, including office buildings and industrial parks, with a wide range of commercial property management services, which comprise (i) basic property management services, including cleaning services, security services, common area facility repair and maintenance services and pre-delivery services; and (ii) value-added services, including private parking management services, sales office management services, catering services and other services.

As at 30 June 2026, the Group provided basic commercial property management services to 45 commercial properties with a total GFA under management of approximately 3.84 million sq.m..

OUTLOOK

In the second half of 2026, the Company aims for higher requirements for scale expansion and will continue to focus on "deepening property management and expanding urban services", in particular in the Northwest China in order to strengthen its market position. The Company will adopt multiple expansion methods in parallel, mainly including joint ventures, mergers and acquisitions, and project expansion. In the second half of 2026, the Company will continue to analyze market demand in depth, explore blue ocean markets for diversified business operations, increase the bid winning rate, and expand the existing service scope.

Meanwhile, the Group will refine its standardized service system and optimize customer experience. The Group will also implement its market-oriented mode of development on a deeper level through an accurate grasp of market trends and needs as well as a flexible adjustment of its business strategies, in order to tap into diverse business segments and revenue sources, explore new business models, and achieve coordinated development of business and optimal allocation of resources.

The Group will further expand and optimize our professional development team, recruit professionals, participate in professional training specifically for the industry, and raise the professional standards of the development team. The Group will continue to build up brand reputation of the Company and leverage its brand image, in order to expand its property management services to other property projects. The Group will actively seek development opportunities brought by the expansion of business coverage of its parent company, Kingfar Holdings Group, actively participate in bidding, so as to expand its operational radius and ensure stable growth in scale.

FINANCIAL REVIEW

Revenue

The following table sets forth a breakdown of the Group's revenue by business line for the periods indicated:

	Six months ended 30 June			
	2026		2025	
	RMB'000	*%*	*RMB'000*	*%*
City services	**375,565**	**63.8**	293,752	62.3
– Public property management services	**197,932**	**33.6**	160,018	33.9
– Municipal management services	**90,391**	**15.4**	96,020	20.4
– Municipal value-added services	**87,242**	**14.8**	37,714	8.0
Residential property management services	**115,067**	**19.6**	103,615	22.0
– Basic residential property management services	**84,040**	**14.3**	71,276	15.1
– Residential value-added services	**31,027**	**5.3**	32,339	6.9
Commercial property management services	**96,555**	**16.4**	72,416	15.3
– Basic commercial property management services	**58,385**	**9.9**	55,326	11.7
– Commercial value-added services	**38,170**	**6.5**	17,090	3.6
Others *(Note)*	**1,350**	**0.2**	1,690	0.4
Total	**588,537**	**100.0**	471,473	100.0

Note: Represents rental income derived from leasing an investment property and certain vehicles owned by the Group.

The Group's revenue increased by approximately 24.83% from approximately RMB471.5 million for the six months ended 30 June 2025 to approximately RMB588.5 million for the Reporting Period, mainly reflecting the following:

(i) revenue from city services increased by approximately 27.85% from approximately RMB293.8 million for the six months ended 30 June 2025 to approximately RMB375.6 million for the Reporting Period, primarily due to the increase in the number of public property projects under management;

(ii) revenue from residential property management services increased by approximately 11.1% from approximately RMB103.6 million for the six months ended 30 June 2025 to approximately RMB115.1 million for the Reporting Period, primarily due to the increase in the number of projects under management and the area under management;

(iii) revenue from commercial property management services increased by approximately 33.33% from approximately RMB72.4 million for the six months ended 30 June 2025 to approximately RMB96.6 million for the Reporting Period, primarily due to the increase in the number of projects under management, the area under management and value-added services; and

(iv) revenue from others decreased by approximately 20.12% from approximately RMB1.7 million for the six months ended 30 June 2025 to approximately RMB1.4 million for the Reporting Period, primarily due to the decrease in the number of rental vehicles.

Cost of Sales

The Group's cost of sales increased by approximately 27.64% from approximately RMB392.2 million for the six months ended 30 June 2025 to approximately RMB500.6 million for the Reporting Period, primarily due to the expansion of the Group's business scale, which resulted in the corresponding increase in costs.

Gross Profit and Gross Profit Margin

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

	Six months ended 30 June			
	2026		2025	
	Gross profit *RMB'000*	**Gross profit margin** *%*	Gross profit *RMB'000*	Gross profit margin *%*
City services	**47,036**	**12.5**	44,917	15.3
Residential property management services	**22,827**	**19.8**	19,759	19.1
Commercial property management services	**17,781**	**18.4**	14,030	19.4
Others	**297**	**22.0**	596	35.3
Total	**87,941**	**14.9**	79,302	16.8

The Group's gross profit increased by approximately 10.84% from approximately RMB79.3 million for the six months ended 30 June 2025 to approximately RMB87.9 million for the Reporting Period, primarily due to the increase in it's overall revenue.

The Group's gross profit margin for the Reporting Period was 14.9%, representing a decrease of 1.9% from 16.8% as compared with the six months ended 30 June 2025, mainly reflecting the following:

(i) gross profit for city services increased by approximately 4.68% from approximately RMB44.9 million for the six months ended 30 June 2025 to approximately RMB47.0 million for the Reporting Period, mainly due to the increase in revenue;

(ii) gross profit for residential property management services increased by approximately 15.15% from approximately RMB19.8 million for the six months ended 30 June 2025 to approximately RMB22.8 million for the Reporting Period, primarily due to the increase in area under management and revenue of the residential property business;

(iii) gross profit for commercial property management services increased by approximately 27.14% from approximately RMB14.0 million for the six months ended 30 June 2025 to approximately RMB17.8 million for the Reporting Period, primarily due to the increase in area under management and value-added services; and

(iv) gross profit for others (being rental income derived from leasing an investment property and certain vehicles owned by the Group) decreased by approximately 50% from approximately RMB0.6 million for the six months ended 30 June 2025 to approximately RMB0.3 million for the Reporting Period, primarily due to the decrease in revenue.

Other Net Gains

The Group's other net gains primarily consists of (i) interest income; (ii) government grants; and (iii) income from additional deduction on input VAT.

The Group's other net gains decreased by approximately 53.85% from approximately RMB1.3 million for the six months ended 30 June 2025 to approximately RMB0.6 million for the Reporting Period, primarily due to foreign exchange losses.

Administrative Expenses and Research and Development Costs

Administrative expenses and research and development costs increased by approximately 6.99% from approximately RMB32.9 million for the six months ended 30 June 2025 to approximately RMB35.2 million for the Reporting Period, primarily due to the increase in administrative expenses resulting from the expansion of the Group's business scale.

Impairment Losses on Trade and Other Receivables

Impairment losses on trade and other receivables increased by approximately 234.2% from approximately RMB3.8 million for the six months ended 30 June 2025 to approximately RMB12.7 million for the Reporting Period, primarily due to the expansion of the Group's business scale and the settlement methods with property owners.

Finance Costs

Finance costs decreased by approximately 75% from approximately RMB2.0 million for the six months ended 30 June 2025 to approximately RMB0.5 million for the Reporting Period, primarily due to the exchange gains generated from the depreciation of the Hong Kong dollar, which offset the finance costs incurred.

Income Tax Expenses

Income tax expenses decreased by approximately 27.27% from approximately RMB9.9 million for the six months ended 30 June 2025 to approximately RMB7.2 million for the Reporting Period.

Profit for the Reporting Period

As a result of the foregoing, profit for the Reporting Period increased by approximately 2.8% from approximately RMB32.1 million for the six months ended 30 June 2025 to approximately RMB33.0 million for the Reporting Period.

Investment Property and Other Property, Plant and Equipment

The Group's investment property and other property, plant and equipment mainly consist of an investment property of a kindergarten, machinery and other equipment, vehicles and right-of-use assets.

The value of the Group's investment property and other property, plant and equipment increased by approximately 61.06% from approximately RMB105.8 million for the year ended 31 December 2025 to approximately RMB170.4 million for the Reporting Period, primarily due to the acquisition of retail shops and car parks with property ownership, as well as the acquisition of usage rights of civil air defence car parks and mechanical car parks by entering into lease agreements during the current period.

Trade and Other Receivables

Trade and other receivables primarily arise from provision of various services in the ordinary course of business. The Group recognizes trade receivables when it has an unconditional right to receive consideration. The right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due.

The Group's trade and other receivables increased by approximately 26.03% from approximately RMB386.1 million for the year ended 31 December 2025 to approximately RMB486.6 million for the Reporting Period, primarily attributable to the settlement model with property owners, whereby settlements are generally effected after the end of the Reporting Period.

Prepayments

The Group's prepayments primarily include prepayments of utility fees, consultancy fees and training fees, and for the purchase of equipment, material and software.

The Group's prepayments increased by approximately 25.64% from approximately RMB7.8 million as at 31 December 2025 to approximately RMB9.8 million as at 30 June 2026, mainly due to the Group's business expansion, which resulted in higher utility costs and procurement costs.

Trade and Other Payables

Trade and other payables primarily represent the Group's obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers.

The Group's trade and other payables decreased by approximately 6.04% from approximately RMB587.6 million for the year ended 31 December 2025 to approximately RMB552.1 million for the Reporting Period, primarily due to partial settlement of supplier payables during the Reporting Period.

Contract Liabilities

The Group's contract liabilities primarily consist of prepayments received for the Group's property management and other services from its customers, while the services are yet to be provided.

The Group's contract liabilities increased by approximately 5.17% from approximately RMB48.4 million for the year ended 31 December 2025 to approximately RMB50.9 million for the Reporting Period, primarily due to the increase in the number of properties under the Group's management, which resulted in the corresponding increase in prepayments received from customers for property management fees.

Cash at Bank and on Hand

The Group's cash at bank and on hand decreased by approximately 36.75% from approximately RMB445.5 million for the year ended 31 December 2025 to approximately RMB281.8 million for the Reporting Period, primarily due to the rise in supplier settlements as a result of the increase in expenditure on property acquisitions and the expansion of business scale during the Reporting Period.

Net Current Assets

The Group's net current assets decreased by approximately 15.75% from approximately RMB200.0 million for the year ended 31 December 2025 to approximately RMB168.5 million for the Reporting Period, primarily attributable to (i) an increase in trade and other receivables of approximately RMB100.6 million; (ii) a decrease in cash at bank and on hand of approximately RMB163.7 million; and (iii) a decrease in trade and other payables of approximately RMB35.5 million.

LIQUIDITY AND CAPITAL RESOURCES

The Group's principal use of cash has been for working capital purposes. The Group's main source of liquidity has been generated from cash flows from operations and net proceeds received from the Global Offering. As at 30 June 2026, cash and cash equivalents of the Group amounted to approximately RMB281.8 million, approximately 71.36% of which was denominated in RMB (31 December 2025: approximately RMB445.5 million). Going forward, the Group will closely monitor uses of cash and strive to maintain a healthy liquidity for its operations.

Bank Borrowings

As at 30 June 2026, the Group had no borrowings (31 December 2025: Nil).

Other Liabilities

As at 30 June 2026, the Group did not have other liabilities (31 December 2025: Nil).

Pledge of Assets

As at 30 June 2026, the Group did not have any pledged assets (31 December 2025: Nil).

Gearing Ratio

Gearing ratio is calculated based on the sum of interest-bearing borrowings as of the respective dates divided by total equity as of the same dates and multiplied by 100%. The Group's gearing ratio as at 30 June 2026 was nil (31 December 2025: Nil).

Contingent Liabilities

As at 30 June 2026, the Group did not have any outstanding material contingent liabilities (31 December 2025: Nil).

Capital Expenditures

The Group's capital expenditures represent addition of property, plant and equipment and intangible assets. The Group incurred capital expenditures of approximately RMB70.1 million for the Reporting Period (for the six months ended 30 June 2025: approximately RMB8.8 million).

MARKET RISK

The Group is exposed to a variety of market risks, including interest rate risk, credit risk and liquidity risk, as set out below. The Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. During the Reporting Period, the Group did not hedge or consider necessary to hedge any of these risks.

Interest Rate Risk

The exposure of the Group to risk for changes in market interest rates relates primarily to its interest-bearing borrowings. The Group does not use derivative financial instruments to hedge interest rate risk.

Foreign Exchange Risk

The Group's operations are primarily conducted in Renminbi, which is the functional currency of the Group. Material fluctuations in the exchange rate of the Renminbi against the Hong Kong dollar may negatively impact the value and amount of any dividends payable on the shares of the Company. Currently, the Group does not implement any foreign currency hedging policy and the management of the Group will closely monitor any exposure to foreign exchange.

Credit Risk

The Group's credit risk is primarily attributable to cash at bank, trade and bills receivables, prepayments, deposits and other receivables. The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks with a high credit standing designated by the management of the Group, which the Group considers to have low credit risk. For the purposes of internal credit risk management, the Group has applied the general approach in IFRS 9 to measure the loss allowance at 12-month ECLs as there is no significant increase in credit risk since initial recognition. The Group determines the expected credit losses for these assets by assessment of probability of default, loss given default and exposure at default.

In respect of amounts due from related parties of a non-trade nature, deposits and other receivables, the Group has assessed, based on historical settlement records and forward-looking information, that the expected credit loss rate for these receivables is not material under the 12-month ECL method. Accordingly, except for an allowance of RMB11,004,000 (31 December 2025: RMB11,004,000) provided through individual assessment, the Group's exposure to credit risk arising from these receivables for the Reporting Period was calculated using an expected loss rate of 0.5%.

In respect of trade receivables from third parties and related parties, the Group measures loss allowances at an amount equal to lifetime ECLs based on historical settlement records and forward-looking information. The Group has a large number of customers and there is no concentration of credit risk. In addition, the Group has established monitoring procedures to ensure that follow-up action is taken to recover overdue debts. The Group considers that a default event occurs when there is significant decrease in services fee collection rate and estimate the expected credit loss rate for the Reporting Period. Normally, the Group does not obtain collateral from customers.

For cash and cash equivalents, as the majority of these are deposited with state-owned banks or other medium-to-large sized banks, the Group does not expect any significant credit risk. The Group does not anticipate any material losses arising from non-performance by these counterparties.

Liquidity Risk

The Group aims to maintain a balance between continuity of funding and flexibility through the use of interest-bearing borrowings. Cash flows are closely monitored on an ongoing basis.

OTHER INFORMATION

Significant Investments, Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

The Company did not have any other significant investment or material acquisition of subsidiaries, associates and joint ventures during the Reporting Period.

Future Plans for Material Investments or Capital Assets

Save as disclosed in the paragraph headed "Use of Proceeds from the Listing" in this announcement, as at 30 June 2026, the Company did not have any future plans for material investments or additions of capital assets.

Subsequent Events after the Reporting Period

There were no material events undertaken by the Group subsequent to 30 June 2026 and up to the date of this announcement.

Use of Proceeds from the Listing

The 16,666,800 H Shares were listed on the Main Board of the Stock Exchange on the Listing Date at HK$7.50 per H Share, with net proceeds received by the Company from the Global Offering in the amount of approximately HK$90.5 million after deducting the underwriting commissions and other estimated expenses payable by us in connection with the Global Offering. The following table sets forth the Company's use of the proceeds from the Global Offering as of 30 June 2026.

	% of the total net proceeds	Net proceeds from the Global Offering *(HK$ in millions)*	Unutilised amount as of 1 January 2026 *(HK$ in millions)*	Utilised amount during the Reporting Period *(HK$ in millions)*	Unutilised amount as of 30 June 2026 *(HK$ in millions)*	Expected timeline of full utilisation
Selective acquisitions of other property management companies	53.8	48.7	48.7	–	48.7	By 31 December 2026
Purchase of new energy vehicles	20.6	18.6	18.6	1.4	17.2	By 31 December 2026
Further develop our smart property management systems	10.5	9.5	7.2	0.2	7.0	By 31 December 2026
Improve our human resource management	5.1	4.6	4.6	–	4.6	By 31 December 2026
Working capital	10.0	9.1	9.1	–	9.1	By 31 December 2026
Total	100.0	90.5	88.2	1.6	86.6	

The net proceeds have been and will be utilised in accordance with the purposes set out in the prospectus of the Company dated 24 June 2024. The expected timeline for utilising the remaining proceeds is based on the best estimation of the future progress of business expansion and market conditions made by the Company. It will be subject to change based on the current and future development of market conditions. Majority of the unutilised net proceeds are deposited in a short-term interest-bearing account at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or the applicable laws and regulations in the PRC) in the PRC as at 30 June 2026.

Employees and Remuneration Policy

As of 30 June 2026, the Group had a total of 9,596 full-time employees in China (31 December 2025: 8,263). For the Reporting Period, the staff cost recognised as expenses of the Group amounted to approximately RMB337.2 million (for the six months ended 30 June 2025: approximately RMB263.6 million).

The Group believes that the expertise, experience and professional development of its employees contributes to its growth. The Group proactively recruits skilled and qualified personnel with relevant working experience in property management to support the sustainable growth of business.

The remuneration package of employees of the Group includes salary and bonus, which are generally based on their qualifications, industry experience, position and performance. In addition, the Group provides training programs regularly and across management levels, in compatible with practical needs, covering key areas in its business operations, including but not limited to corporate culture and policies, technical knowledge required for certain positions, leadership skills and general knowledge about the nature of the Group's services.

As of 30 June 2026, there was no share incentive schemes adopted by the Company.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining and promoting high standards of corporate governance, which is essential to the Group's development and protection of the interests of its shareholders. The Company has adopted the relevant code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 (the "**Corporate Governance Code**") to the Rules Governing the Listing of Securities of the Stock Exchange (the "**Listing Rules**") (in effect as of 30 June 2026) as the basis for its corporate governance practices.

The Board is of the view that the Company has complied with all the applicable code provisions set out in the Corporate Governance Code during the Reporting Period. The Board will continue to review and monitor the corporate governance practices of the Company with the aim of maintaining a high standard of corporate governance.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its code of conduct regarding dealings in the securities of the Company by the Directors and the Group's employees who, because of his/her office or employment, are likely to possess inside information. Specific enquiries have been made by the Company to all the Directors, and all of the Directors have confirmed that they have complied with the Model Code during the Reporting Period. No incident of non-compliance of the Model Code by the employees was identified by the Company during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

As at 30 June 2026, there were 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 Reporting Period.

INTERIM DIVIDEND

The Board has resolved to recommend an interim dividend of RMB0.20 per share for the six months ended 30 June 2026, amounting to RMB13,333,360, subject to the approval of its shareholders in an extraordinary general meeting to be convened by the Company (the "**EGM**"). The date of the EGM, the record date for Shareholders entitled to receive the proposed interim dividend, the book closure period for share transfer registration procedures, and other information related to the dividend distribution will be announced by the Company in due course.

Tax Arrangement

In accordance with the relevant regulations such as the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》), Implementation Rules of Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法實施條例》) as well as the Notice of the State Administration of Taxation on the Issues Concerning Withholding and Payment of the Enterprises Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Share Holders who are Overseas Non-resident Enterprises (Guo Shui Han [2008] No. 897) (國家稅務總局《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函 [2008] 897號)) issued by the State Administration of Taxation of the PRC, the Company is obliged to withhold and pay enterprise income tax at a rate of 10% when distributing the interim dividend to non-resident enterprise Shareholders (i.e. any Shareholders who hold H Shares in the name of non-individual H Shareholders, including but not limited to HKSCC Nominees Limited, other nominees, trustees, or H Shareholders registered in the name of other organizations and groups) whose names appear on the register of members of H Shares of the Company.

In accordance with the relevant regulations such as the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》) and Notice of the State Administration of Taxation on the Matters Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348) (《國家稅務總局關於國稅發 [1993] 045 號文件廢止後有關個人所得稅徵管問題的通知》(國稅函 [2011] 348 號)) (the "**No. 348 Circular**") issued by the State Administration of Taxation of the PRC, the Company is obliged to withhold and pay individual income tax when distributing the interim dividend to non-resident individuals whose names appear on the register of members of H Shares. Non-resident individual H Shareholders are entitled to relevant tax preference in accordance with the tax treaties signed between the countries in which they are residents and the PRC as well as the requirements of the taxation arrangements between mainland China and Hong Kong (or Macau). Pursuant to the No. 348 Circular, individual income tax at a tax rate of 10% may in general be withheld in respect of the dividend or bonus income to be distributed by the PRC non-foreign-invested enterprises whose shares have been issued in Hong Kong to the overseas resident individual shareholders, without any application for preferential tax treatments. However, the tax rate for each overseas resident individual shareholder may vary depending on the relevant tax agreements between the countries of its domicile and the PRC.

If the individual H Shareholders are Hong Kong or Macau residents or residents of other countries or regions that have a tax rate of 10% under the tax treaties with the PRC, the Company will withhold and pay individual income tax at the rate of 10% on behalf of such H Shareholders.

If the individual H Shareholders are residents of countries or regions that have a tax rate lower than 10% under the tax treaties with the PRC, the Company will withhold and pay individual income tax at the rate of 10% on behalf of such H Shareholders. If such H Shareholders wish to claim refund of the amount in excess of the individual income tax payable under the relevant tax treaties, the Company may apply, on behalf of such H Shareholders and according to the relevant tax treaties, for the relevant agreed preferential tax treatment, provided that the relevant H Shareholders submit the relevant documents and information required by the Administrative Measures on Enjoying Treatment under Tax Treaties by Non-resident Taxpayers (State Administration of Taxation Announcement 2019, No. 35) (《非居民納稅人享受協定待遇管理辦法》(國家稅務總局公告2019年第35號)) and the provisions of the relevant tax treaties in a timely manner. The Company will assist with the tax refund of additional amount of tax withheld and paid subject to the approval of the competent tax authorities.

If the individual H Shareholders are residents of countries or regions that have a tax rate higher than 10% but lower than 20% under the tax treaties with the PRC, the Company will withhold and pay individual income tax at the applicable tax rates stated in such tax treaties on behalf of such H Shareholders.

If the individual H Shareholders are residents of countries or regions that have a tax rate of 20% under the tax treaties with the PRC or have not entered into any tax treaties with the PRC, or otherwise, the Company will withhold and pay individual income tax at the rate of 20% on behalf of such H Shareholders.

The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the H Shareholders and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the H Shareholders or any disputes over the withholding mechanism or arrangements.

H Shareholders are advised to consult their tax consultants regarding the tax impacts in the PRC, Hong Kong and other countries (regions) for holding and selling the Shares.

AUDIT COMMITTEE

The Group has established the audit committee (the "**Audit Committee**") with written terms of reference in compliance with the Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of the Group, risk management and internal audit, provide advice and comments to the Board and perform other duties and responsibilities as may be assigned by the Board.

The Audit Committee consists of three members, namely Mr. Lam Siu Wing, Mr. Yang Gang and Mr. Cao Yang. The chairman of the Audit Committee is Mr. Lam Siu Wing, who is an independent non-executive Director and possesses the appropriate professional qualifications.

REVIEW OF INTERIM RESULTS

The Audit Committee has reviewed the unaudited condensed consolidated financial information of the Group for the Reporting Period, including the applicable accounting policies and accounting standards adopted by the Group, and considers that such information has been prepared in compliance with the applicable Listing Rules and accounting standards.

PUBLICATION OF INTERIM RESULTS AND 2026 INTERIM REPORT

This announcement is published on the websites of the Company (www.xajfwy.com) and the Stock Exchange (http://www.hkexnews.hk). The 2026 interim report will be made available on the respective websites of the Company and the Stock Exchange in due course.

By order of the Board
Xi'an Kingfar Property Services Co., Ltd.
Mr. Wu Suozheng
Chairman of the Board and Executive Director

Hong Kong, 20 August 2026

As of the date of this announcement, the Board comprises: (i) Mr. Wu Suozheng, Mr. Sun Qi and Mr. Cheng Hongrang as executive Directors; (ii) Mr. Zhao Junping, Mr. Yang Gang and Ms. Li Lingxiao as non-executive Directors; and (iii) Mr. Lam Siu Wing, Dr. Jiang Li and Mr. Cao Yang as independent non-executive Directors.