永升服务
EVER SUNSHINE SERVICES

Ever Sunshine Services Group Limited
永 升 服 务 集 团 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1995)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026

SUMMARY

1. Revenue for the six months ended 30 June 2026 was approximately RMB3,605.5 million, representing an increase of approximately 4.2% from approximately RMB3,460.8 million for the corresponding period in 2025.

2. The gross profit of the Group for the six months ended 30 June 2026 was approximately RMB701.4 million, representing an increase of approximately 8.7% from approximately RMB645.4 million for the corresponding period in 2025. The core operating profit (representing gross profit minus administrative expenses and selling expenses) was approximately RMB459.2 million, representing an increase of 9.9% from approximately RMB417.8 million for the corresponding period in 2025.

3. Profit for the first half of 2026 was approximately RMB275.1 million, representing an increase of approximately 1.8%, as compared with that of approximately RMB270.2 million for the corresponding period in 2025. Meanwhile, profit attributable to owners of the Company for the first half of 2026 was approximately RMB215.0 million, representing an increase of approximately 0.6% as compared with that of approximately RMB213.8 million for the corresponding period in 2025.

4. The Board has resolved to pay an interim dividend of HK$0.0728 per Share for the six months ended 30 June 2026 (six months ended 30 June 2025: HK$0.0678 per Share). In addition, the Board has further resolved to pay a special dividend of HK$0.0291 per Share for the six months ended 30 June 2026 (six months ended 30 June 2025: HK$0.0271 per Share) to reward the Shareholders for their continuous support.

5. During the Period, the Company bought back an aggregate of 14,540,000 Shares on the Stock Exchange at a total consideration of approximately HK$26,674,460, which have all been cancelled as at the date of this announcement.

The board (the "**Board**") of directors (the "**Directors**") of Ever Sunshine Services Group Limited (the "**Company**") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (together the "**Group**", "**we**", "**our**" or "**us**") for the six months ended 30 June 2026 (the "**Period**"), together with comparative figures for the corresponding period in 2025. These unaudited consolidated results have been reviewed by the audit committee of the Company (the "**Audit Committee**").

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Notes	**For the six months ended 30 June**	
		2026	2025
		RMB'000	*RMB'000*
		(Unaudited)	*(Unaudited)*
Revenue	3	**3,605,532**	3,460,843
Cost of services		**(2,904,182)**	(2,815,409)
Gross profit		**701,350**	645,434
Other income and other gains and losses		**6,617**	31,211
Administrative expenses		**(201,027)**	(175,324)
Selling expenses		**(41,095)**	(52,263)
Expected credit loss on financial assets, net		**(110,039)**	(96,251)
Share of result of associates		**1,892**	934
Finance costs		**(2,349)**	(1,100)
Other expenses		**(443)**	(4,512)
Profit before taxation	4	**354,906**	348,129
Income tax expense	5	**(79,839)**	(77,971)
Profit and total comprehensive income for the period		**275,067**	270,158

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)

For the six months ended 30 June 2026

		For the six months ended 30 June	
	Note	**2026**	2025
		RMB'000	*RMB'000*
		(Unaudited)	*(Unaudited)*
Profit and total comprehensive income for the period attributable to:			
Owners of the Company		**214,967**	213,778
Non-controlling interests		**60,100**	56,380
		275,067	270,158
Earnings per share (RMB)			
Basic and diluted earnings per share	7	**0.12**	0.12

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Note	**30 June 2026**	31 December 2025
		RMB'000	*RMB'000*
		(Unaudited)	*(Audited)*
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**87,404**	88,425
Investment in associates		**7,275**	5,382
Investment properties		**516,910**	519,985
Intangible assets		**278,843**	286,310
Goodwill		**1,489,888**	1,488,171
Deferred tax assets		**174,582**	140,160
Prepayments and other receivables		**364,155**	356,737
Financial assets at fair value through profit or loss ("**FVTPL**")		**260,966**	289,566
Deferred contract costs		**32,456**	37,840
		3,212,479	3,212,576
Current assets			
Inventories		**1,343**	1,112
Deferred contract costs		**24,875**	26,210
Trade and bills receivables	8	**3,106,015**	2,726,351
Prepayments and other receivables		**864,008**	829,426
Financial assets at FVTPL		**2,021**	2,513
Restricted cash		**62,888**	62,083
Cash and cash equivalents		**2,258,018**	2,765,420
		6,319,168	6,413,115

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

As at 30 June 2026

	Note	**30 June 2026** ***RMB'000*** ***(Unaudited)***	31 December 2025 *RMB'000* *(Audited)*
Current liabilities			
Trade and bills payables	9	**1,535,796**	1,450,893
Accruals and other payables		**1,210,960**	1,249,069
Borrowings		**11,274**	22,161
Contract liabilities		**844,746**	1,024,813
Lease liabilities		**6,791**	5,413
Provision for taxation		**179,541**	162,732
		3,789,108	3,915,081
Net current assets		**2,530,060**	2,498,034
Total assets less current liabilities		**5,742,539**	5,710,610
Non-current liabilities			
Borrowings		**16,742**	14,330
Lease liabilities		**4,477**	5,064
Deferred tax liabilities		**66,994**	69,423
		88,213	88,817
Net assets		**5,654,326**	5,621,793
Capital and reserves			
Share capital		**15,237**	15,291
Reserves		**5,207,124**	5,163,707
Equity attributable to owners of the Company		**5,222,361**	5,178,998
Non-controlling interests		**431,965**	442,795
Total equity		**5,654,326**	5,621,793

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The condensed consolidated financial statements should be read in conjunction with the 2025 annual financial statements. The accounting policies and methods of computation used in the preparation of those condensed consolidated financial statements are consistent with those used in the Group's annual financial statements for the year ended 31 December 2025.

2. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2026 for the preparation of the Group's condensed consolidated financial statements:

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

The application of the amendment to HKFRS Accounting Standards did not result in significant changes to the Group's accounting policies, presentation of the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Revenue represents income from property management services, community value-added services, value-added services to non-property owners and city services. Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker (the "**CODM**"). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors. Management reviews the operating results of the business as one operating segment to make decisions about resources to be allocated. Therefore, the CODM of the Company regards that there is only one segment which is used to make strategic decisions.

The principal operating entities of the Group are domiciled in the PRC. Accordingly, the Group's revenue was derived in the PRC for the six months ended 30 June 2026 and 2025.

An analysis of the Group's revenue by category was as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Revenue from contracts with customers:		
– Property management services	**2,826,537**	2,668,749
– Community value-added services	**434,907**	396,403
– Value-added services to non-property owners	**235,807**	269,609
– City services	**107,757**	125,474
	3,605,008	3,460,235
Others	**524**	608
Total	**3,605,532**	3,460,843

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Timing of revenue recognition		
A point in time	**148,034**	146,934
Over time	**3,456,974**	3,313,301
Total	**3,605,008**	3,460,235

4. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging the followings:

	Six month ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Depreciation of property, plant and equipment	**20,824**	18,377
Amortisation of intangible assets	**16,628**	18,331
Expense relating to short-term leases		
Rented premises	**3,260**	3,448
Expense relating to leases of low-value assets		
Plant and machinery	**883**	741
Staff costs (including directors' emoluments):		
Salaries, wages and other benefits	**861,070**	1,041,538
Bonus	**51,780**	70,431
Retirement scheme contribution	**164,348**	156,696

5. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
PRC Enterprise Income Tax:		
Current tax	**116,489**	105,304
Under-provision in respect of prior period	**337**	478
	116,826	105,782
Deferred tax:		
Credited to profit or loss for the period	**(36,987)**	(27,811)
	79,839	77,971

6. DIVIDENDS

During the current interim period, a final dividend in respect of the year ended 31 December 2025 of HK$0.0735 per Share (six months ended 30 June 2025: HK$0.0668) and a special dividend of HK$0.0294 per ordinary Share (six months ended 30 June 2025: Nil) was declared and paid to owners of the Company. The aggregate amount of the final dividend declared and paid in the interim period amounted to approximately HK$126,611,000 (six months ended 30 June 2025: HK$115,549,000) and HK$50,644,000 (six months ended 30 June 2025: Nil).

Subsequent to the end of the current interim period, the board of the Company has declared an interim dividend of HK$0.0728 per Share and a special dividend of HK$0.0291 per Share in respect of the six months ended 30 June 2026 (six months ended 30 June 2025: interim dividend of HK$0.0678 per Share and special dividend of HK$0.0271 per Share).

7. EARNINGS PER SHARE

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

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Earnings		
Profit attributable to the equity owners of the Company	**214,967**	213,778

	Six months ended 30 June	
	2026	2025
	'000	*'000*
	(Unaudited)	*(Unaudited)*
Number of shares		
Weighted average number of ordinary shares	**1,720,227**	1,728,554

8. TRADE AND BILLS RECEIVABLES

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Audited)*
Trade receivables		
– Related parties	**895,792**	864,077
– Third parties	**2,692,601**	2,235,134
	3,588,393	3,099,211
Bills receivables	**5,267**	7,891
	3,593,660	3,107,102
Less: allowance for credit losses	**(487,645)**	(380,751)
	3,106,015	2,726,351

The ageing analysis of the trade and bills receivables net of loss allowance and presented based on invoice date is as follows:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Audited)*
Within 1 year	**1,869,259**	1,611,351
1 to 2 years	**564,761**	531,997
2 to 3 years	**339,502**	302,458
3 to 4 years	**205,583**	176,154
4 to 5 years	**126,910**	104,391
	3,106,015	2,726,351

9. TRADE AND BILLS PAYABLES

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Audited)*
Trade payables		
– Related parties	**18,573**	14,562
– Third parties	**1,492,019**	1,406,142
	1,510,592	1,420,704
Bills payables	**25,204**	30,189
	1,535,796	1,450,893

The ageing analysis of trade and bills payables based on invoice date, is as follows:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Audited)*
Within 1 year	**1,081,137**	1,068,701
1 to 2 years	**222,374**	185,683
2 to 3 years	**120,725**	100,192
3 to 4 years	**59,598**	54,462
4 to 5 years	**51,962**	41,855
	1,535,796	1,450,893

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

We are a reputable and fast-growing comprehensive property management service provider in the People's Republic of China (the "**PRC**"). As of 30 June 2026, we provided property management services, value-added services and city services in 98 cities in Mainland China, with a total contracted gross floor area ("**GFA**") of approximately 356.8 million square metres ("**sq.m.**"), among which, the total GFA under management is approximately 255.0 million sq.m., serving more than 1,170,000 households.

Our business covers a broad spectrum of properties, including residential properties and non-residential properties, such as office buildings, shopping malls, school campuses, hospitals, scenic spots, government-owned buildings, expressway stations, rail transit, and ferry terminals etc. In addition, we also provide city services and other high-quality tailored services.

Adhering to the concept of "Building Better Lives", our core value is to enable customers to "be Trouble-Free, Worry-Free, and Discontent-Free (讓用戶省心、放心、開心)". We promote diversified development through technological innovation and adhere to the development strategy of "Platform + Ecosystem". Our mission is to provide comprehensive, caring and professional property management services to our customers and to grow into a customer-preferred smart city service brand.

Our Business Model

We have four major business lines, namely (i) property management services; (ii) community value-added services; (iii) value-added services to non-property owners; and (iv) city services, which form a comprehensive service portfolio offering to our customers and cover the entire value chain of the property management industry.

1. Property management services: We provide a variety of property management services to property developers, property owners and residents, which primarily include cleaning, security, gardening and repair and maintenance services. We manage a portfolio of residential and non-residential properties. Our non-residential properties include office buildings, shopping malls, schools, hospitals, scenic spots, government-owned buildings, expressway service stations, rail transit and ferry terminals.

2. Community value-added services: We provide community value-added services to both property owners and residents with the aim of improving their living experiences, maintaining and enhancing their asset values. These services mainly cover (i) home-living services; (ii) parking unit management and leasing services; (iii) property agency services; and (iv) common area value-added services.

3. Value-added services to non-property owners: We provide a comprehensive range of value-added services to non-property owners, who primarily include property developers and, to a lesser extent, non-property developers who require certain additional tailored services in respect of their non-residential properties and property management services providers who outsource certain value-added services to us. Our value-added services to non-property owners mainly include (i) sales assistance services; (ii) additional tailored services; (iii) housing repair services; (iv) pre-delivery inspection services; and (v) preliminary planning and design consultancy services, which cover on-site inspection services for each unit to provide sufficient recommendations from the end-user's perspective.

4. City services: We can provide a wide range of city services. Such services mainly include (i) city environmental sanitation; (ii) waste sorting and treatment; (iii) installation of block facilities; (iv) landscaping projects; (v) old communities renovation; and (vi) smart block construction.

Property Management Services

Continuously High Quality Development

We adhere to our strategy of deepening city penetration and regard quality expansion as one of our strategic priorities. During the Period, we achieved high-quality development in contracted GFA and GFA under management through multiple drivers.

As at 30 June 2026, our contracted GFA amounted to approximately 356.8 million sq.m. and the number of contracted projects was 1,973, representing an increase of approximately 0.5% and 0.4%, respectively as compared with those as at 30 June 2025. As at 30 June 2026, our GFA under management reached approximately 255.0 million sq.m. and the number of projects under management was 1,542, representing an increase of 0.5% and 0.7%, respectively as compared with those as at 30 June 2025.

The table below sets out the changes in our contracted GFA and GFA under management for the six months ended 30 June 2026 and 2025, respectively:

	For the six months ended 30 June			
	2026		2025	
	Contracted GFA *(sq.m. '000)*	**GFA under management** *(sq.m. '000)*	Contracted GFA *(sq.m. '000)*	GFA under management *(sq.m. '000)*
As at the beginning of the Period	**353,617**	**252,225**	350,935	250,642
Additions[1]	**24,571**	**13,976**	20,756	18,778
Terminations[2]	**(21,387)**	**(11,174)**	(16,837)	(15,679)
As at the end of the Period	**356,801**	**255,027**	354,854	253,741

Notes:

(1) With respect to our residential and non-residential projects under management, additions primarily included preliminary management contracts for new properties developed by real estate developers, property management service contracts pursuant to which we replaced the previous property management service providers, and property management contracts acquired through acquisitions of subsidiaries.

(2) These terminations included our voluntary non-renewals of certain property management services contracts as we reallocated our resources to more profitable engagements in order to optimize our property management portfolio.

Our Geographic Footprint

Since the Group's inception up to 30 June 2026, our geographic footprint has covered 98 cities in China, aiming at deep regional penetration in pursuit of effective scale expansion.

The table below sets forth a breakdown, by geographic location, of our total GFA under management as at the dates indicated and the revenue generated from property management services for the six months ended 30 June 2026 and 2025, respectively:

	As at 30 June or for the six months ended 30 June					
	2026			2025		
	GFA	**Revenue**		GFA	Revenue	
	sq.m. '000	***RMB'000***	***%***	*sq.m. '000*	*RMB'000*	*%*
Eastern region[(1)]	**134,681**	**1,512,555**	**53.5**	142,492	1,568,920	58.8
Northern region[(2)]	**34,300**	**334,094**	**11.8**	35,244	359,743	13.5
Central Southern region[(3)]	**44,003**	**487,063**	**17.3**	37,429	337,362	12.6
Western region[(4)]	**27,525**	**376,356**	**13.3**	28,448	302,813	11.4
Northeastern region[(5)]	**14,518**	**116,469**	**4.1**	10,128	99,911	3.7
Total	**255,027**	**2,826,537**	**100.0**	253,741	2,668,749	100.0

Notes:

(1) Cities in the eastern region in which we have property management projects include Shanghai, Suzhou, Nanjing, Wuxi, Zhenjiang, Nantong, Changzhou, Xuzhou, Yangzhou, Huai'an, Lianyungang, Suqian, Yancheng, Jinhua, Chuzhou, Hangzhou, Ningbo, Jiaxing, Huzhou, Wenzhou, Taizhou, Zhoushan, Shaoxing, Xiamen, Fuzhou, Zhangzhou, Quanzhou, Putian, Qingdao, Zibo, Yantai, Weihai, Rizhao, Zaozhuang, Liaocheng, Weifang, Heze, Jining, Taizhou, Dezhou, Linyi, Jinan, Dongying, Binzhou, Hefei, Wuhu, Anqing, Xuancheng, Fuyang and Huainan.

(2) Cities in the northern region in which we have property management projects include Beijing, Tianjin, Shijiazhuang, Taiyuan, Cangzhou, Tangshan, Langfang and Handan.

(3) Cities in the central southern region in which we have property management projects include Shenzhen, Guangzhou, Dongguan, Foshan, Zhongshan, Huizhou, Jiangmen, Wuhan, Xiangyang, Huanggang, Yichang, Nanchang, Zhengzhou, Shangqiu, Xuchang, Luoyang, Nanyang, Changsha, Yueyang, Changde, Shaoyang, Zhuzhou, Xiangtan, Hengyang, Guilin, Nanning and Liuzhou.

(4) Cities in the western region in which we have property management projects include Xi'an, Chengdu, Chongqing, Yinchuan, Baoji, Weinan, Lvliang, Urumqi, Xining, Guiyang, Zunyi, Kunming and Dali Bai Autonomous Prefecture.

(5) Cities in the northeastern region in which we have property management projects include Changchun, Harbin, Shenyang and Dalian.

Achieve progressive growth in scale, subject to the principle of high-quality development

<u>Handling of Business Transactions with CIFI Group in accordance with market-oriented principles</u>

As a long-term service partner of CIFI Holdings (Group) Co. Ltd. (stock code: 00884) and its subsidiaries (the "**CIFI Group**"), we have always maintained a solid market-oriented cooperative relationship with CIFI Group. Looking back at the first half of 2026, the market environment of the real estate industry in the PRC remained severe, with weak recovery. These challenges have also continued to adversely affect the property management service industry. We still adhere to the principle of "conducting business transactions with CIFI Group in accordance with market-oriented principles". This enables us to relatively effectively reduce the relevant negative impacts and strive to keep the impacts of such negative factors on our property management service business within a controllable range. We continuously improve and adjust our strategies to ensure that the cooperation with CIFI Group continues to develop steadily. In this challenging environment, we will focus on risk control and independent market-oriented operations as our principal priorities.

<u>Continuously Enhance the Company's Development Capabilities in the Independent Third-Party Market</u>

As one of the key drivers of the Company's expansion, we have always endeavoured to diversify into third-party markets. By expanding our resources to various independent markets, we continue to increase our market share. At the same time, we continue to improve our ability to build teams to achieve better empowerment results. This proactive strategy has enabled us to remain competitive in an ever-changing environment and has brought about sustained scale growth for the Company. The main targets of our market expansion include regional property developers, replacement of existing residential properties arranged by property owners' committees, bidding and tendering projects of local governments, as well as industrial parks and office buildings of commercial and corporate clients.

Since the implementation of market-oriented expansion, through years of accumulation, the Group has successfully built solid bidding and outreach capabilities. During the Period, the saturated revenue of the Company's outreach contracts has increased significantly year-on-year, reaching the best performance in history. We believe that with the Company's constantly improving comprehensive strength and better reputation brand support, through our continuous enhancement of the industry standards and improving the bidding outreach technical means, we will certainly achieve a more robust business growth.

Strategic Mergers and Acquisitions

Strategic mergers and acquisitions have been a crucial part of our historical development process. In terms of mergers and acquisitions, the Group adheres to the principle of "Selects the target carefully before investment and conducts effective management after investment (投前精選目標，投後完善管理)". Through strategic mergers and acquisitions, we increased our market share in existing markets, expanded our regional business scales, and addressed weaknesses in our service capabilities across sectors to enhance our multi-sector services capabilities.

Since the Listing, we adhered to the prudent principle for mergers and acquisitions and have acquired companies for different types of properties such as Zhengzhou Jinyi Property Service Co., Ltd.* (鄭州錦藝物業服務有限公司) for residential sector, Qingdao Yayuan Property Management Co., Ltd.* (青島雅園物業管理有限公司) and Shanghai Macalline Property Management Services Co., Ltd.* (上海美凱龍物業管理服務有限公司) for commercial and office space sector, Jiangsu Xiangjiang Property Development Co., Ltd.* (江蘇香江物業發展有限公司) and Beijing Hangteng Property Management Co., Ltd.* (北京航騰物業管理有限責任公司) for public facilities sector, Shandong XinJian Property Development Co., Ltd.* (山東鑫建物業發展有限公司) for logistics park sector, Hunan Meizhong Biophysical Environment Technology Co., Ltd.* (湖南美中環境生態科技有限公司) ("**Meizhong Environment**") for city sanitation sector and Huaxi Xin'an (Beijing) Property Management Co., Ltd.* (華熙鑫安(北京)物業管理有限公司) for mixed-use complex sector, and all of which have achieved positive post-investment integration results. However, overall, since 2022, due to the continuous disruption of the external environment and the Company's more prudent internal risk control requirements, we have significantly reduced the number of mergers and acquisitions.

Due to our adherence to the disciplined principles of strategic mergers and acquisitions, all of the projects that we have historically acquired have achieved good integration with us, and have met the performance requirement targets, and it is expected that the existing acquired and integrated companies will be able to achieve better business operation and realize better performance contribution in the future.

The table below sets forth the breakdown, by types of property developers, of our total GFA under management as at the dates indicated:

	As at 30 June			
	2026		2025	
	sq.m. '000	***%***	*sq.m. '000*	*%*
CIFI Group[1]	**58,793**	**23.1**	58,857	23.2
Third-party property developers[2]	**196,234**	**76.9**	194,884	76.8
Total	**255,027**	**100.0**	253,741	100.0

Notes:

(1) Included properties solely developed by CIFI Group and properties jointly developed by CIFI Group and other property developers (CIFI Group held a controlling interest in such properties).

(2) Referred to properties solely developed by third-party property developers independent from CIFI Group, as well as properties jointly developed by CIFI Group and other property developers (CIFI Group did not hold a controlling interest in such properties).

Strengthening Position as a Comprehensive Property Management Service Provider

We manage a wide range of properties, including residential and non-residential properties. We have accumulated tremendous experience in managing non-residential properties, including office buildings, shopping malls, industrial parks, hospitals and schools etc. Meanwhile, with the further opening up of the non-residential market, we were presented with more opportunities to participate in the tender bidding in such market and expand market share. We seized the emerging market opportunities and entered the sub-sectors in the non-residential market, including headquarters buildings for large enterprises, expressway service stations, subway rail transit, tourist scenic spots and industrial exhibition centers. We treat the acquired projects as a stepping stone to set up benchmarks and continue to achieve penetrative development in local markets, thereby increasing our concentration in the relevant local market. Despite the fact that revenue generated from residential property projects has contributed and will continue to contribute the largest proportion of our property management revenue, we continue to diversify our service portfolio and deepen our development in specialised non-residential property segments. As at 30 June 2026, non-residential properties accounted for approximately 33.1% in our GFA under management.

The table below sets forth a breakdown, by different types of properties as they were developed, of our total GFA under management as at the dates indicated and revenue from property management services generated therefrom for the six months ended 30 June 2026 and 2025, respectively:

	As at 30 June or for the six months ended 30 June					
	2026			2025		
	GFA	**Revenue**		GFA	Revenue	
	sq.m. '000	***RMB'000***	***%***	*sq.m. '000*	*RMB'000*	*%*
Residential properties	**170,575**	**1,434,063**	**50.7**	154,368	1,334,666	50.0
Non-residential properties	**84,452**	**1,392,474**	**49.3**	99,373	1,334,083	50.0
Total	**255,027**	**2,826,537**	**100.0**	253,741	2,668,749	100.0

Lump Sum Basis and Commission Basis

We generally price our services by taking into account, among others, factors such as the characteristics and locations of the residential communities, our budget, targeted profit margins, property owner and resident profiles and the scope and quality of our services. We charge property management fees primarily on a lump sum basis, with a small portion charged on a commission basis.

The following table sets forth a breakdown, by revenue model, of our total GFA under management as at the dates indicated and revenue from property management services for the six months ended 30 June 2026 and 2025, respectively:

	As at 30 June or for the six months ended 30 June					
	2026			2025		
	GFA	**Revenue**		GFA	Revenue	
	sq.m. '000	***RMB'000***	***%***	*sq.m. '000*	*RMB'000*	*%*
Lump sum basis	**252,032**	**2,820,974**	**99.8**	251,450	2,664,929	99.9
Commission basis	**2,995**	**5,563**	**0.2**	2,291	3,820	0.1
Total	**255,027**	**2,826,537**	**100.0**	253,741	2,668,749	100.0

Community Value-Added Services

During the Period, a variety of community value-added services struggled to advance amidst the challenges of a slower-than-expected macroeconomic recovery and a weak property market in the PRC, while we focused more on community value-added services development and discontinued certain businesses with low gross profit margins and poor sustainability. During the Period, revenue from community value-added services was approximately RMB434.9 million, representing an increase of approximately 9.7% as compared with approximately RMB396.4 million for the six months ended 30 June 2025.

Promoting rapid development of community value-added services and establishing a value-added service development system is one of the Group's key strategic development directions. We adhered to the concept of "something must be done and some must not be done (有所為、有所不為)" and developed value-added service products suitable for property owners, based on the needs of community property owners so as to boost the revenue generated from community value-added services.

With the expansion of our service scope, we have more mature experience in community value-added services and continue to optimize and upgrade our talent team. We have continued to deepen our research on community scenarios and service target groups, and have been advancing in a number of dimensions, including demand identification, product and service design, channel and supplier selection, and marketing plan development. Although the development of community value-added services has encountered multiple pressures from the macro-economy and faced various challenges, the community value-added services have continued to develop despite these challenges. In the future, the Group will continue to follow the strategy of promoting the revenue enhancement of community value-added services and continuously improve the quality of services to achieve more sustainable development.

We believe that there are various reasons that have caused the current development of community value-added services to enter a bottleneck period. However, by continuously grasping the service needs of high-quality customers, enhancing service loyalty, innovatively transforming products into services, and making persistent efforts, we will still be able to witness a thriving development of community value-added services.

Currently, our community value-added services cover four major areas, namely home-living services, parking unit management and leasing services, property agency services, and common area value-added services. The following table sets forth the breakdown of revenue from our community value-added services for the six months ended 30 June 2026 and 2025, respectively:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	*%*	*RMB'000*	*%*
Home-living services[(1)]	**237,670**	**54.7**	207,433	52.3
Parking unit management and leasing services[(2)]	**67,170**	**15.4**	72,576	18.3
Property agency services[(3)]	**75,586**	**17.4**	67,662	17.1
Common area value-added services[(4)]	**54,481**	**12.5**	48,732	12.3
Total	**434,907**	**100.0**	396,403	100

Notes:

(1) This primarily included house delivery-stage renovation services such as house decoration, partial house renovation, turnkey furnishing etc.; mature community services such as on-site maintenance, housekeeping and cleaning, home management, secondary renovation, community group purchasing etc.; and special services such as facilities and equipment repair, maintenance and renovation for communities.

(2) This primarily included fees received from leasing and management of parking units.

(3) This primarily included agency sales and agency leasing services of apartments and parking spaces.

(4) This primarily included service income received from leasing and management of common areas.

Value-Added Services to Non-Property Owners

We provide value-added services to non-property owners, which comprise sales assistance services that primarily include display units management services (the scope of services mainly covers security, cleaning, greening, reception etiquette, and other services for display units), additional tailored services, preliminary planning and design consultancy services, housing repair services, and pre-delivery inspection services. We extend the professional services of property management to the front end of real estate development. Most of these non-property owners are property developers.

During the Period, revenue from value-added services to non-property owners decreased by approximately 12.5% to approximately RMB235.8 million as compared with RMB269.6 million for the six months ended 30 June 2025, mainly due to the weakened real estate market in China. We have become more cautious when providing value-added services to non-property owners and exited from some of the service projects with relatively lower expected returns.

The table below sets forth a breakdown of our revenue generated from our value-added services provided to non-property owners for the six months ended 30 June 2026 and 2025, respectively:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	*%*	*RMB'000*	*%*
Sales assistance services	**45,660**	**19.4**	79,097	29.3
Additional tailored services	**151,674**	**64.3**	130,795	48.5
Preliminary planning and design consultancy services	**5,353**	**2.3**	10,943	4.1
Housing repair services	**29,450**	**12.5**	39,404	14.6
Pre-delivery inspection services	**3,670**	**1.5**	9,370	3.5
Total	**235,807**	**100.0**	269,609	100.0

City Services

With the continuous development of social governance and the socialisation of logistic services for the authorities, the Company has gradually expanded from the traditional residential property sector to the non-residential sector and extended to the city services operation level in accordance with the market demand and the development direction of the "big property services(大物業)" strategy. Since 2020, we have actively explored and accumulated experience in city services. Meanwhile, we have further built up our professional capabilities in city services through the acquisition and integration of Meizhong Environment in 2021.

At the initial stage of the Listing, we launched the Company's mission "Building Better Lives". Subsequently, in 2020, we first announced the Company's vision to "Grow into A Customer-preferred Smart City Service Brand". After continuous exploration and research, we have positioned the Company's city services in three directions:

(i) city municipal services butler: focusing on environmental sanitation and greening, as well as old community renovation services;

(ii) city asset management assistant: dedicated to the effective management of idle urban spaces and spatial resources; and

(iii) city future development partner: participating in the construction of smart cities and becoming an important player in city development.

We have developed into a property management company whose business also encompasses city services, and will constantly strive to realize the Company's mission and vision to provide premium smart city services to our customers.

FUTURE OUTLOOK

Since the industry entered a profound adjustment period in 2022, we have been confronted with macroeconomic pressure and intensified market competition, yet we have remained confident and strived for progress while maintaining stability. As a comprehensive property management enterprise, we uphold the philosophy of "Building Better Lives", actively respond to the government's call to participate in community co-construction, integrate deeply into grassroots urban governance, and provide property owners with a smarter and more efficient living and working environment. Although the current recovery momentum remains inadequate, we closely monitor policy directions and changes in market demand, flexibly adjust our business strategies, and continuously promote the upgrading of service quality and refined management. Going forward, the management will lead the team to forge ahead with determination, accelerate the achievement of the Company's medium and long-term strategic objectives, fulfil the mission of "Building Better Lives", and create sustainable value for users.

Guided by high-quality development, we will steadily expand our business scale and regional layout

We will be guided by high-quality development, steadily expand our managed area and service types, and promote the simultaneous development of scale and density enhancement. To this end, we are continuously optimizing our market expansion system and tendering capabilities, establishing a more accurate project evaluation mechanism, improving bid success rates, further expanding the reserve of high-quality projects, and striving for more high-end property resources.

We will focus on deeply developing populous and economically vibrant regions such as the Yangtze River Delta, Greater Bay Area and Beijing-Tianjin-Hebei, and gradually achieve regional intensive operation. In terms of service categories, we will also continuously expand non-residential business, with particular focus on high-potential sectors including commercial complexes, medical care and elderly care, logistics parks and urban public infrastructure, seize the opportunities of socialized city operation, and build a diversified property service matrix.

Meanwhile, relying on the Group's brand advantages and delivery capabilities, we will continue to deepen strategic cooperation with state-owned construction platforms, city investment companies and quality property developers, expand the integrated models of "agency construction + agency operation" and "government + marketization", and achieve breakthroughs in city renewal, old project renovation and indemnificatory housing.

Enhance diversified value-added service capabilities and build a full-chain service system

Facing the increasingly diversified customer needs, we are actively enhancing service modules such as pre-engagement consultation, construction inspection, delivery acceptance and property maintenance management, so as to improve the delivery capability of integrated solutions. This will further strengthen our professional advantages in the non-property owner value-added service market and form new sources of revenue growth. In respect of providing extended services to property developers, we are driving the transformation of services from single management to full-chain management and achieving greater value co-creation. Furthermore, we will explore the provision of management output and digital and intelligent transformation services for small and medium-sized regional property management companies. Through brand empowerment and operational support, we will transform our role from a "property management company" to a "property solution provider" and further expand our business boundaries.

Deepen community value-added services and build a full-scenario life ecosystem for property owners

Community value-added services will remain the core of our strategy to "expand and strengthen the platform, and optimize and deepen the ecosystem (做大做強平台、做優做透生態)". We will further enhance the business unit model, optimize the independent operation of the property owner service line, enabling the team to be more focused and flexible, and promote the replication and expansion of business models after mature local trials. In terms of service categories, we will focus on continuously iterating services around high-frequency and essential service scenarios for property owners, such as community housekeeping, space renovation, elderly-friendly renovation, neighborhood commerce, and community livestreaming commerce, so as to build a full life-cycle service system covering "people, goods and spaces", and enhance the platform's reach and commercial monetization capabilities. We will take "in-depth services, asset-light model, and strong stickiness" as the strategic direction of community operation, continuously explore potential market demand, and achieve sustainable growth in service revenue.

Led by the dual drivers of talent and organizational upgrading, we will build a highly execution-oriented team

Facing the dual requirements of service professionalism and operational complexity, we will continue to optimize our talent structure and organizational mechanisms. Through the dual-wheel drive of "Ever Dynamic (永動力)" campus recruitment and social talent introduction, we will build a stable, efficient and professional grassroots and middle-level backbone team. For the senior management team, we will adhere to the "emptying the cage to make way for new birds (騰籠換鳥)" strategy, focus on managers with consistent values, strong execution capabilities and systematic thinking, so as to form vision consensus and joint force for strategy implementation.

For middle management, we will establish a function empowerment and job rotation mechanism based on business units to comprehensively enhance their operation understanding and resource integration capabilities. In terms of organization development, we will further promote flattening reform, improve cross-departmental collaboration efficiency, strengthen the "result-oriented, responsibility to individuals" culture, stimulate team dynamics, and enhance overall organizational resilience and responsiveness.

Fully invest in technology and intelligent operations to build a digitally driven enterprise

Technology will be the core engine driving our future growth and efficiency transformation. We will continue to increase investment and R&D expenditure in smart technology companies, and strengthen the integrated application of AI, Internet of Things and big data in property service scenarios. In terms of system development, we will fully upgrade core infrastructures including the internal management system, financial data platform, human resources cloud and contract management cloud, so as to build a data foundation covering finance, human resources, operations, contracts and procurement, and enhance management efficiency and risk management capabilities.

We also plan to build an "Integrated Command Centre" integrating intelligent central control, data decision-making and remote collaboration, so as to realize the centralized operation and real-time monitoring of city-level projects. Meanwhile, we will promote the application of AI-based management tools in various grassroots projects to reduce repetitive manually input and enhance the level of digital operation. We firmly believe that the integration of technological innovation and process reengineering will comprehensively drive the property management industry to shift from "manual governance" to "digital governance", bringing users a more intelligent, efficient and safe modern property management experience.

FINANCIAL REVIEW

Revenue

During the Period, the Group's revenue amounted to approximately RMB3,605.5 million, representing an increase of approximately 4.2% from approximately RMB3,460.8 million for the corresponding period in 2025.

Revenue of the Group by business line for the periods indicated was as follows:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	***%***	*RMB'000*	*%*
Property management services	**2,826,537**	**78.4**	2,668,749	77.1
Community value-added services	**434,907**	**12.0**	396,403	11.4
Value-added services to non-property owners	**235,807**	**6.5**	269,609	7.8
City services	**107,757**	**3.0**	125,474	3.6
Others	**524**	**0.1**	608	0.1
Total revenue	**3,605,532**	**100.0**	3,460,843	100.0

The property management services business is our largest source of income. During the Period, the revenue from property management services was approximately RMB2,826.5 million, accounting for approximately 78.4% of the Group's total revenue. The increase in revenue from property management services was primarily driven by our continuous efforts to expand our customer base.

The revenue from community value-added services increased from approximately RMB396.4 million for the six months ended 30 June 2025 to approximately RMB434.9 million for the Period, representing an increase of approximately 9.7%, which was mainly due to the increase of revenue from home-living services.

The revenue from value-added services to non-property owners decreased by approximately 12.5% from approximately RMB269.6 million for the six months ended 30 June 2025 to approximately RMB235.8 million for the Period. Such decrease was mainly because we are more prudent in undertaking such business in consideration of the weakened real estate industry in the PRC.

During the Period, the revenue generated from city services was approximately RMB107.8 million, representing a decrease of approximately 14.1% from approximately RMB125.5 million for the six months ended 30 June 2025, which was mainly attributable to our reallocation of resources and withdrawal of certain less profitable engagements during the Period to improve operational efficiency.

Cost of services

Cost of services increased by approximately 3.2% from approximately RMB2,815.4 million for the six months ended 30 June 2025 to approximately RMB2,904.2 million for the Period, primarily due to the increase of various kinds of costs during the Period as a result of the scale-up of our business. We will continuously invest in intelligent operation and conduct effective cost control measures to improve our operation efficiency.

Gross profit

As a result of the above principal factors, the Group's gross profit increased by approximately 8.7% from approximately RMB645.4 million for the six months ended 30 June 2025 to approximately RMB701.4 million for the Period.

Gross profit margin of the Group by business line for the periods indicated was as follows:

	For the six months ended 30 June	
	2026	2025
Property management services	**19.1%**	18.5%
Community value-added services	**32.8%**	28.2%
Value-added services to non-property owners	**0.9%**	8.9%
City services	**14.7%**	12.3%
Overall	**19.5%**	18.6%

During the Period, the gross profit margin of the Group was 19.5%, representing an increase of 0.9 percentage point as compared with that of 18.6% for the corresponding period in 2025, which was primarily due to the increase in gross profit margin of our property management services and community value-added services.

During the Period, the gross profit margin of property management services was 19.1%, representing an increase from that of 18.5% for the corresponding period in 2025, which was mainly due to our continuous improvement in operation efficiency.

During the Period, the gross profit margin of community value-added services was 32.8%, representing an increase as compared to that of 28.2% for the corresponding period in 2025, which was mainly due to the decrease of low gross profit margin businesses.

During the Period, the gross profit margin of value-added services to non-property owners was 0.9%, representing a decrease as compared to that of 8.9% for the corresponding period in 2025, which was mainly due to the weak condition of the property development market in the PRC during the Period.

During the Period, the gross profit margin of city services was 14.7%, representing an increase as compared to that of 12.3% for the corresponding period in 2025, which was mainly due to the optimization of project portfolio during the Period pursuant to which some projects with low profit margin were terminated.

Other income and other gains and losses

During the Period, the Group's other income and other gains and losses amounted to approximately RMB6.6 million, representing a decrease of approximately 78.8% from approximately RMB31.2 million for the corresponding period in 2025, primarily due to an increase in fair value losses on financial assets at FVTPL during the Period.

Administrative and selling expenses

During the Period, the Group's total administrative and selling expenses amounted to approximately RMB242.1 million, representing an increase of approximately 6.4% from approximately RMB227.6 million for the corresponding period in 2025.

Core operating profit

The core operating profit (representing gross profit minus administrative expenses and selling expenses) was approximately RMB459.2 million, representing an increase of 9.9% from approximately RMB417.8 million for the corresponding period in 2025, which was mainly attributable to our continuous improvement in revenue quality and operation efficiency. The core operating profit is not required by or presented in accordance with HKFRS Accounting Standards, but we use it as an additional financial measure to reflect the profitability of our core businesses.

Other expenses

During the Period, the Group recorded other expenses of approximately RMB0.4 million, representing a decrease from approximately RMB4.5 million for the corresponding period in 2025.

Profit before income tax expense

During the Period, the profit before income tax expense was approximately RMB354.9 million, representing an increase of approximately 2.0%, as compared with that of approximately RMB348.1 million for the six months ended 30 June 2025.

Income tax expense

During the Period, the Group's income tax expense was approximately RMB79.8 million, representing 22.5% of the profit before income tax expense, compared with that of approximately RMB78.0 million, representing 22.4% of the profit before income tax expense for the six months ended 30 June 2025.

Profit attributable to owners of the Company

The profit attributable to owners of the Company for the six months ended 30 June 2026 was approximately RMB215.0 million, representing an increase of approximately 0.6%, as compared with that of approximately RMB213.8 million for the six months ended 30 June 2025.

Property, plant and equipment

Property, plant and equipment of the Group mainly consisted of buildings, leasehold improvements, computer equipment, transportation equipment, as well as other fixed assets. As at 30 June 2026, the Group's property, plant and equipment amounted to approximately RMB87.4 million, representing a decrease from that of approximately RMB88.4 million as at 31 December 2025.

Investment properties

Our investment properties mainly comprised buildings, parking units and storage rooms at the properties we owned. As at 30 June 2026, the Group's investment properties amounted to approximately RMB516.9 million, representing a decrease from approximately RMB520.0 million as at 31 December 2025, which was mainly caused by the changes in fair value.

Intangible assets

The Group's intangible assets mainly comprised property management contracts and customer relationships attributable to acquired companies, and information technology systems. As at 30 June 2026, the Group's intangible assets amounted to approximately RMB278.8 million, representing a decrease from approximately RMB286.3 million as at 31 December 2025, which was mainly attributable to the amortization of intangible assets during the Period.

Goodwill

As at 30 June 2026, the Group's goodwill amounted to approximately RMB1,489.9 million, representing an increase from approximately RMB1,488.2 million as at 31 December 2025.

Trade and bill receivables

As at 30 June 2026, trade and bills receivables of the Group amounted to approximately RMB3,106.0 million, representing an increase from approximately RMB2,726.4 million as at 31 December 2025. Such increase was mainly due to the slowdown of recovery of receivables because of the downward market situation during the Period.

Prepayments and other receivables

Our prepayments and other receivables mainly consisted of payments made on behalf of our residents such as payments for the utility bills and public facility maintenance fund, as well as security deposits with local authorities for providing property management services per local law requirements, bidding deposits in relation to the public biddings, deposits to secure the sales collection of parking units, storage rooms and retail shops, and prepayments to vendors. As at 30 June 2026, our prepayments and other receivables amounted to approximately RMB1,228.2 million, representing an increase from approximately RMB1,186.2 million as at 31 December 2025, which was mainly due to the increase of prepayments for energy consumption because of the expansion of our business during the Period.

Cash and cash equivalents

As at 30 June 2026, the Group's cash and cash equivalents were approximately RMB2,258.0 million, representing a decrease from approximately RMB2,765.4 million as at 31 December 2025.

Trade and bills payables

As at 30 June 2026, trade and bills payables of the Group amounted to approximately RMB1,535.8 million, representing an increase from approximately RMB1,450.9 million as at 31 December 2025, which was mainly a result of the expansion of our business during the Period.

Accruals and other payables

As at 30 June 2026, our accruals and other payables were approximately RMB1,211.0 million, representing a decrease from approximately RMB1,249.1 million as at 31 December 2025.

Contract liabilities

Contract liabilities of the Group were property management fees paid by customers in advance for the services which had not yet been provided and not been recognized as revenue. As at 30 June 2026, our contract liabilities amounted to approximately RMB844.7 million, representing a decrease from approximately RMB1,024.8 million as at 31 December 2025.

Cash flows

During the Period, net cash outflow from operating activities of the Group amounted to approximately RMB225.9 million, compared with a net cash outflow of approximately RMB229.9 million for the corresponding period in 2025. The decrease in net cash outflow was mainly attributable to the improvement in operating profit.

During the six months ended 30 June 2026, net cash outflow from investing activities amounted to RMB16.1 million, while that was net cash outflow of approximately RMB17.3 million for the corresponding period in 2025, which was mainly caused by the decrease in payments of acquisition consideration payables.

Net cash outflow from financing activities amounted to approximately RMB264.1 million for the six months ended 30 June 2026, representing an increase from that of approximately RMB128.3 million for the corresponding period in 2025. The higher cash outflow from financing activities was mainly due to the increase in dividends payment and capital reduction from non-controlling shareholders during the Period.

Gearing ratio and the basis of calculation

As at 30 June 2026, the gearing ratio of the Group was 0.50% (31 December 2025: 0.65%). The gearing ratio is equal to the sum of long-term and short-term interest-bearing borrowings divided by total equity.

Capital structure

As at 30 June 2026, the Group's cash and bank balances were denominated in Renminbi, Hong Kong dollars and US dollars, and all of the Group's borrowings were denominated in Renminbi at fixed interest rates.

As at 30 June 2026, equity attributable to owners of the Company amounted to approximately RMB5,222.4 million, compared to approximately RMB5,179.0 million as at 31 December 2025.

The financial position of the Group remained stable. As at 30 June 2026, the Group's net current assets were approximately RMB2,530.1 million, compared to approximately RMB2,498.0 million as at 31 December 2025.

Liquidity and financial resources

During the Period, the Group's principal use of cash was working capital, which was mainly funded from cash flow from operations. In the foreseeable future, we expect cash flow from operations will continue to be our principal source of liquidity and we may use a portion of the proceeds from our fundraising activities conducted to finance some of our capital expenditures.

As at 30 June 2026, the Group's borrowings amounted to RMB28.0 million (31 December 2025: RMB36.5 million). Except as disclosed herein and apart from intra-group liabilities, we did not have any outstanding loan capital, bank overdrafts and liabilities, or other similar indebtedness, debentures, mortgages, charges or loans as at 30 June 2026.

Pledging of assets

As at 30 June 2026, the Group had pledged property, plant and equipment with carrying amounts of approximately RMB15.4 million (31 December 2025: approximately RMB18.1 million) to secure the balance of borrowings of approximately RMB18.1 million.

Contingent liabilities

As at 30 June 2026, the Group had no material contingent liabilities which have not been properly accrued for. The Group is involved in certain legal claims that have arisen during our usual and ordinary course of business. Having considered relevant legal advice and made its best estimate in respect of the liability, the Group expects that the claims will not incur any material adverse effect on our business, financial condition or operating results.

Significant investments held

As at 30 June 2026, the Group did not hold any significant investment.

Material acquisitions and disposal of subsidiaries, associates and joint ventures

The Group did not have any material acquisition and disposal of subsidiaries, associates or joint ventures during the six months ended 30 June 2026.

Future plans for material investments and capital assets

As at 30 June 2026, the Group did not have any immediate plans for material investments and capital assets.

Interest rate risk

As the Group has no significant interest-bearing assets and liabilities other than bank deposits and borrowings, the Group's exposure to the interest rate risk is limited to the market risk for changes in interest rates which relates primarily to bank balances that bear floating interest rates. Our management monitors interest rate risk and takes prudent measures to reduce the interest rate risk.

Foreign exchange risk

The principal activities of the Group are conducted in China, and a majority of the Group's income and expenses are denominated in Renminbi. Certain bank balances are denominated in Hong Kong dollars and US dollars. Currently, the Group has not entered into contracts to hedge its exposure to foreign exchange risk, but the management will continue to monitor the foreign exchange exposure, and take prudent measures to reduce the foreign exchange risk.

Employment and remuneration policy

The Group adopts remuneration policies similar to its peers in the industry. The remuneration payable to staff is fixed by reference to the duties and the prevailing market rates in the region. Discretionary performance bonus after assessment is paid to the employees to reward their contribution. In compliance with the applicable statutory requirements in China and existing requirements of the local government, the Group has participated in different social welfare plans for the employees.

As at 30 June 2026, the Group had 19,818 employees (31 December 2025: 22,300 employees).

Use of Proceeds

2020 Placing and 2020 Subscription

On 4 June 2020, the Company, Elite Force Development Limited ("**Elite Force Development**") and three placing agents entered into a placing and subscription agreement (the "**2020 Placing and Subscription Agreement**"), pursuant to which, (a) Elite Force Development has agreed to appoint these placing agents, and these placing agents have agreed to act as agents of Elite Force Development on a several basis to procure purchasers, on a best effort basis, to purchase a total of 134,000,000 existing Shares at the placing price of HK$11.78 per Share (the "**2020 Placing Price**") (the "**2020 Placing**"); and (b) Elite Force Development has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue to Elite Force Development, a total of 134,000,000 new Shares at the subscription price of HK$11.78 per Share (being the same as the 2020 Placing Price) (the "**2020 Subscription**").

The 2020 Placing Price was HK$11.78 per Share and represented (i) a discount of approximately 6.95% to the closing price of HK$12.66 per Share as quoted on the Stock Exchange on 3 June 2020, being the last trading day prior to the signing of the 2020 Placing and Subscription Agreement (the "**2020 Last Trading Date**"); (ii) a discount of approximately 3.63% to the average closing price of HK$12.22 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days prior to and including the 2020 Last Trading Day; and (iii) a discount of approximately 0.61% to the average closing price of HK$11.85 per Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days prior to and including the 2020 Last Trading Day.

Completion of the 2020 Placing and the 2020 Subscription took place on 8 June 2020 and 16 June 2020, respectively. A total of 134,000,000 existing Shares have been successfully placed at the 2020 Placing Price of HK$11.78 per Share to no less than six (6) independent placees, and a total of 134,000,000 new Shares (equal to the number of the existing Shares successfully placed under the 2020 Placing) were subscribed by Elite Force Development at the subscription price of HK$11.78 per Share.

The Company received net proceeds from the 2020 Subscription (after deducting all relevant fees, costs and expenses to be borne or incurred by the Company) of approximately HK$1,564,476,000 and intended to use the net proceeds from the 2020 Subscription for possible business development or investments in the future when opportunities arise and as working capital and general corporate purposes. Details of the planned use and actual use of net proceeds from the 2020 Subscription were as follows:

	Net proceeds from the 2020 Subscription						
	Percentage of net proceeds	Allocation of net proceeds (HK$ million)	Unutilised (as at 1 January 2026) (HK$ million)	Utilised during the Period (HK$ million)	Utilised (up to 30 June 2026) (HK$ million)	Unutilised (as at 30 June 2026) (HK$ million)	Expected timeline for the unutilised net proceeds
Strategic acquisition and investment opportunities	80%	1,251.6	–	–	1,251.6	–	N/A
Information technology related development	5%	78.2	32.5	17.0	62.7	15.5	By 31 December 2026
Working capital and general corporate purposes	15%	234.7	–	–	234.7	–	N/A
	100%	1,564.5	32.5	17.0	1,549.0	15.5	

INTERIM DIVIDEND AND SPECIAL DIVIDEND

The Board has resolved to pay an interim dividend of HK$0.0728 per Share for the six months ended 30 June 2026 and a special dividend of HK$0.0291 per Share to reward the shareholders of the Company (the "**Shareholder(s)**") for their continuous support, totalling approximately HK$124.3 million and HK$49.7 million, respectively. The interim dividend and special dividend are expected to be paid on 22 September 2026 to the Shareholders whose names appear on the register of members of the Company after the close of business on 15 September 2026.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 11 September 2026 to 15 September 2026, both days inclusive, during which period no transfer of the Shares will be effected, for the purpose of ascertaining Shareholders' entitlement to the interim dividend and special dividend. In order to establish entitlements to the interim dividend and special dividend, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on 10 September 2026.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has applied the principles of good corporate governance and complied with the code provisions as set out in the Corporate Governance Code contained in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") during the Period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") as its code of conduct regarding Directors' securities transactions. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code during the Period.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Audit Committee consists of three independent non-executive Directors, namely Mr. Yu Tiecheng, Mr. Ma Yongyi and Dr. Chan Yee Wah. Dr. Chan Yee Wah, who holds the appropriate professional qualifications as required under Rule 3.10(2) and Rule 3.21 of the Listing Rules, serves as the chairman of the Audit Committee. The Board has not deviated from any recommendation given by the Audit Committee on the selection, appointment, resignation or dismissal of external auditor. The Audit Committee has also reviewed the unaudited interim results for the six months ended 30 June 2026. In addition, the Company's auditor, CLA Prism Hong Kong Limited (formerly named "Prism Hong Kong Limited"), has reviewed the unaudited consolidated interim financial statements of the Group for the six months ended 30 June 2026. There are proper arrangements for employees to raise concerns, in confidence, about possible improprieties in financial reporting, internal control and other matters. The written terms of reference of the Audit Committee are available on the websites of the Company and the Stock Exchange.

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

Pursuant to an ordinary resolution passed by the Shareholders at the annual general meeting of the Company convened and held on 22 May 2025, the Directors were granted a general mandate to exercise the power of the Company to buy back up to 172,855,400 Shares, representing 10% of the total number of Shares in issue as at 22 May 2025 (the "**2025 Buy-back Mandate**"). Pursuant to an ordinary resolution passed by the Shareholders at the annual general meeting of the Company convened and held on 13 May 2026, the Directors were granted a general mandate to exercise the power of the Company to buy back up to 171,740,200 Shares, representing 10% of the total number of Shares in issue as at 13 May 2026 (the "**2026 Buy-back Mandate**"). During the Period, pursuant to the 2025 Buy-back Mandate and the 2026 Buy-back Mandate, the Company bought back an aggregate of 14,540,000 Shares on the Stock Exchange at a total consideration of approximately HK$26,674,460, exclusive of commissions and other expenses.

Details of the Share buy-backs during the Period were as follows:

Date of buy-back	Number of Shares bought back	Consideration per Share Highest price paid	Consideration per Share Lowest price paid	Total consideration paid for the buy-back
		HK$	*HK$*	*HK$*
2 January 2026	200,000	1.73	1.69	343,960
5 January 2026	200,000	1.75	1.72	347,140
6 January 2026	200,000	1.78	1.74	352,040
7 January 2026	200,000	1.80	1.77	356,400
8 January 2026	200,000	1.84	1.79	362,860
9 January 2026	200,000	1.87	1.83	368,840
12 January 2026	200,000	1.85	1.83	368,000
13 January 2026	200,000	1.85	1.82	366,040
14 January 2026	200,000	1.84	1.82	365,700
15 January 2026	200,000	1.84	1.82	365,500
16 January 2026	200,000	1.83	1.82	365,400
19 January 2026	200,000	1.85	1.84	368,980
20 January 2026	200,000	1.86	1.86	372,000
21 January 2026	200,000	1.86	1.83	368,980
22 January 2026	200,000	1.89	1.87	375,000
23 January 2026	200,000	1.87	1.86	373,780
26 January 2026	200,000	1.86	1.85	371,600
27 January 2026	200,000	1.86	1.85	370,500
28 January 2026	200,000	1.83	1.82	364,500
31 March 2026	200,000	1.79	1.77	356,300
2 April 2026	190,000	1.82	1.79	343,640
8 April 2026	200,000	1.85	1.84	369,540
9 April 2026	200,000	1.86	1.85	371,800
10 April 2026	200,000	1.89	1.88	376,500

Date of buy-back	Number of Shares bought back	Consideration per Share		Total consideration paid for the buy-back
		Highest price paid	Lowest price paid	
		HK$	*HK$*	*HK$*
13 April 2026	200,000	1.92	1.89	382,420
14 April 2026	200,000	1.94	1.92	386,060
15 April 2026	200,000	1.95	1.91	386,680
16 April 2026	200,000	1.92	1.90	382,160
17 April 2026	200,000	1.92	1.89	380,200
20 April 2026	200,000	1.93	1.90	383,040
21 April 2026	200,000	1.93	1.91	383,840
22 April 2026	200,000	1.93	1.90	384,160
23 April 2026	200,000	1.98	1.94	394,360
24 April 2026	200,000	1.96	1.94	390,820
27 April 2026	200,000	1.94	1.93	386,500
28 April 2026	200,000	1.94	1.91	382,680
29 April 2026	200,000	1.98	1.92	391,620
30 April 2026	200,000	1.97	1.96	393,340
4 May 2026	200,000	1.99	1.98	397,280
5 May 2026	200,000	2.00	1.98	398,180
6 May 2026	200,000	1.99	1.98	396,760
7 May 2026	200,000	2.00	1.99	398,800
8 May 2026	200,000	2.06	2.04	410,380
11 May 2026	200,000	2.08	2.05	414,320
12 May 2026	200,000	2.05	2.02	408,240
19 May 2026	200,000	1.88	1.82	367,840
20 May 2026	200,000	1.83	1.81	364,280
21 May 2026	200,000	1.84	1.80	363,600
22 May 2026	200,000	1.81	1.79	360,340
26 May 2026	200,000	1.75	1.74	348,860

Date of buy-back	Number of Shares bought back	Consideration per Share		Total consideration paid for the buy-back
		Highest price paid	Lowest price paid	
		HK$	*HK$*	*HK$*
27 May 2026	200,000	1.78	1.72	351,160
28 May 2026	200,000	1.77	1.74	352,460
29 May 2026	200,000	1.83	1.80	362,400
1 June 2026	200,000	1.82	1.80	360,880
2 June 2026	200,000	1.82	1.79	360,300
3 June 2026	200,000	1.82	1.80	362,840
4 June 2026	200,000	1.80	1.77	357,260
5 June 2026	150,000	1.80	1.76	266,180
9 June 2026	200,000	1.77	1.72	348,440
10 June 2026	200,000	1.76	1.74	350,160
11 June 2026	200,000	1.76	1.73	348,000
12 June 2026	200,000	1.80	1.76	356,600
15 June 2026	200,000	1.80	1.78	356,860
16 June 2026	200,000	1.78	1.73	350,060
17 June 2026	200,000	1.76	1.73	348,240
18 June 2026	200,000	1.72	1.71	342,740
22 June 2026	200,000	1.70	1.70	340,000
23 June 2026	200,000	1.68	1.66	332,880
24 June 2026	200,000	1.69	1.67	335,080
25 June 2026	200,000	1.64	1.62	325,920
26 June 2026	200,000	1.64	1.62	325,900
29 June 2026	200,000	1.66	1.64	330,320
30 June 2026	200,000	1.65	1.63	328,020
Total	14,540,000			26,674,460

An aggregate of 5,962,000 Shares bought back by the Company were cancelled on 25 February 2026.

Since the end of the Period and up to the date of this announcement, the Company has made a series of repurchases of the Shares on the Stock Exchange and repurchased a total of 4,200,000 Shares pursuant to the 2026 Buy-back Mandate. As at the date of this announcement, an aggregate of 14,940,000 Shares repurchased during the Period and thereafter were cancelled on 19 August 2026. As at the date of this announcement, the Company did not hold any shares which are pending cancellation.

The Board believes that the Shares were trading at a price level which did not fully reflect the underlying value of the Company. Accordingly, having regard to the market conditions and the Company's actual needs at the relevant time, the Board made such repurchases. The Board also believes that the repurchase of Shares would demonstrate the Company's confidence in its long-term business prospects, which will benefit the Company and is in the interest of the Company and the Shareholders as a whole.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities (including sale or transfer of treasury shares) of the Company during the Period. As at 30 June 2026, the Company did not hold any treasury shares.

EVENTS AFTER THE PERIOD

No event has taken place subsequent to 30 June 2026 and up to the date of this announcement that may have a material impact on the Group's operating and financial performance that needs to be disclosed.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

The interim report of the Company for the six months ended 30 June 2026, containing all the information required under the Listing Rules, will be despatched to the Shareholders (if requested) and published on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.ysservice.com.cn in due course. This announcement may also be accessed on above websites.

APPRECIATION

On behalf of the Board, I would like to extend our sincere thanks to our customers, suppliers and Shareholders for their continuous support to the Group. I would also like to extend my gratitude and appreciation to all management and staff for their hard work and dedication throughout the Period.

By order of the Board
Ever Sunshine Services Group Limited
LIN Zhong
Chairman

Hong Kong, 28 August 2026

As at the date of this announcement, the executive Directors are Mr. LIN Zhong, Mr. LIN Zhubo and Mr. ZHOU Di; the non-executive Director is Ms. CUI Xiaoqing; and the independent non-executive Directors are Mr. MA Yongyi, Mr. YU Tiecheng and Dr. CHAN Yee Wah.

* *For identification purposes only*