苏新服务
SUXIN SERVICE 1994

Suxin Joyful Life Services Co., Ltd.
蘇新美好生活服務股份有限公司

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

(Stock Code: 2152)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026; AND RESIGNATION OF JOINT COMPANY SECRETARY AND CHANGE OF AUTHORISED REPRESENTATIVE

FINANCIAL SUMMARY

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue	**518,622**	485,869
Gross profit	**91,534**	82,751
Gross profit margin	**17.6%**	17.0%
Profit for the period	**36,183**	33,932
Net profit margin	**7.0%**	7.0%
Profit attributable to owners of the Company	**34,785**	34,414
Basic earnings per share *(RMB per share)*	**0.34**	0.34

For the six months ended 30 June 2026, the total revenue of the Group was approximately RMB518.6 million, representing an increase of approximately 6.7% from approximately RMB485.9 million for the same period in 2025.

For the six months ended 30 June 2026, the gross profit of the Group was approximately RMB91.5 million, representing an increase of approximately 10.6% from approximately RMB82.8 million for the same period in 2025.

The Group's gross profit margin was 17.6%, representing an increase of approximately 0.6 percentage points from the same period in 2025.

For the six months ended 30 June 2026, the profit of the Group was approximately RMB36.2 million, representing an increase of approximately 6.6% from approximately RMB33.9 million for the same period in 2025.

As at 30 June 2026, the Group had a total contracted GFA of approximately 29.6 million sq.m., representing an increase of 4.6% compared as with the same period in 2025.

The Board resolved not to declare any interim dividend for the six months ended 30 June 2026.

INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Suxin Joyful Life 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, together with comparative figures for the six months ended 30 June 2025. The unaudited condensed consolidated interim results have not been audited by the Company's auditors, but have been reviewed by the audit committee of the Company (the "**Audit Committee**").

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Notes	For the six months ended 30 June 2026 (Unaudited) RMB'000	30 June 2025 (Unaudited) RMB'000
REVENUE	4	**518,622**	485,869
Cost of sales		**(427,088)**	(403,118)
Gross profit		**91,534**	82,751
Other income and gains	4	**1,755**	6,634
Selling and marketing expenses		**(2,015)**	(2,045)
Administrative expenses		**(28,344)**	(26,129)
Impairment losses on financial assets, net		**(2,809)**	(5,722)
Other expenses		**(5,000)**	(1,423)
Finance costs		**(6,511)**	(6,516)
Share of loss of a joint venture		**–**	(533)
Share of loss of associates		**(15)**	(185)
PROFIT BEFORE TAX	5	**48,595**	46,832
Income tax expense	6	**(12,412)**	(12,900)
PROFIT FOR THE PERIOD		**36,183**	33,932
Profit attributable to:			
Owners of the parent		**34,785**	34,414
Non-controlling interests		**1,398**	(482)
		36,183	33,932
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	8		
Basic and diluted (RMB)		**0.34**	0.34

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	For the six months ended	
	30 June	30 June
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income/(loss):		
Changes in fair value	**120**	(1,484)
Income tax effect	**(30)**	371
	90	(1,113)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	**90**	(1,113)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**36,273**	32,819
Total comprehensive income attributable to:		
Owners of the parent	**34,875**	33,301
Non-controlling interests	**1,398**	(482)
	36,273	32,819

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	*9*	**403,431**	397,090
Investment properties		**363,090**	364,727
Other intangible assets		**4,275**	4,150
Investments in associates		**367**	382
Equity investments designated at fair value through other comprehensive income		**5,120**	5,000
Right-of-use assets		**9,540**	9,442
Goodwill		**2,138**	2,138
Deferred tax assets		**10,246**	10,091
Total non-current assets		**798,207**	793,020
CURRENT ASSETS			
Inventories		**85**	87
Trade and bills receivables	*10*	**814,698**	666,698
Prepayments, other receivables and other assets		**39,634**	30,526
Due from related companies	*13*	**67,956**	73,716
Time deposits		**30,687**	9,252
Restricted cash		**–**	5,913
Cash and cash equivalents		**257,739**	390,605
Total current assets		**1,210,799**	1,176,797

	Notes	**30 June 2026 (Unaudited)** *RMB'000*	31 December 2025 (Audited) *RMB'000*
CURRENT LIABILITIES			
Trade payables	*11*	**569,124**	533,991
Other payables and accruals		**132,051**	143,768
Interest-bearing bank loans		**106,773**	105,844
Lease liabilities		**106**	31
Due to related companies	*13*	**27,804**	32,483
Tax payable		**9,952**	11,334
Contract liabilities		**66,493**	65,449
Total current liabilities		**912,303**	892,900
NET CURRENT ASSETS		**298,496**	283,897
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,096,703**	1,076,917
NON-CURRENT LIABILITIES			
Interest-bearing bank loans		**17,328**	–
Deferred tax liabilities		**6,992**	7,769
Lease liabilities		**193**	–
Other liabilities		**182,507**	180,719
Total non-current liabilities		**207,020**	188,488
Net assets		**889,683**	888,429
EQUITY			
Share capital		**101,047**	101,047
Reserves		**752,242**	753,124
Equity attributable to owners of the parent		**853,289**	854,171
Non-controlling interests		**36,394**	34,258
Total equity		**889,683**	888,429

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended HKFRS Accounting Standards for the first time for the current period's financial information.

Amendments to HKAS 21	Lack of Exchangeability
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 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

The nature and impact of amended HKFRS Accounting Standards are described below:

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

(a) Amendments to HKFRS 9 and HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

(b) Amendments to HKFRS 9 and HKFRS 7 Contracts Referencing Nature-dependent Electricity clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

    Or add other impact upon initial application

(c) Annual Improvements to HKFRS Accounting Standards — Volume 11 set out narrow scope amendments to HKFRS 1, HKFRS 7 (and the accompanying Guidance on implementing HKFRS 7), HKFRS 9, HKFRS 10 and HKAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding HKFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

    Or add other impact upon initial application

3. SEGMENT INFORMATION

Operating segment information

Management monitors the operating results of the Group's business which includes commercial property management services, residential property management services, city services and rental income for the purpose of making decisions about resource allocation and performance assessment. Information reported to the Group's chief operating decision maker, for the purpose of resource allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated. Therefore, no discrete operating segment information is available. Accordingly, no operating segment information is presented.

Geographical information

During the periods, the Group operated within one geographical location because all of its revenues were generated in Chinese mainland and all of its non-current assets/capital expenditures were located/incurred in Chinese mainland. Accordingly, no further geographical information is presented.

Information about major customers

For the six months ended 30 June 2026, revenue of approximately RMB125,915,000 (for the six months ended 30 June 2025: RMB89,024,000) was derived from the provision of city services, rental income and the provision of commercial property management services to a single customer. Except for the above, no revenue from other customers accounted for more than 10% of the total revenue of the Group.

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	For the six months ended	
	30 June 2026	30 June 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
City services	**376,553**	324,658
Commercial property management services	**102,795**	124,836
Residential property management services	**36,260**	32,233
Total	**515,608**	481,727
Revenue from other sources		
Rental income	**3,014**	4,142
Total	**518,622**	485,869

Disaggregated revenue information for revenue from contracts with customers

	Commercial property management services *RMB'000*	**Residential property management services** *RMB'000*	**City services** *RMB'000*	**Total** *RMB'000*
For the six months ended 30 June 2026 (unaudited)				
Rendering of services	**102,795**	**36,260**	**376,553**	**515,608**
Geographical market				
Chinese mainland	**102,795**	**36,260**	**376,553**	**515,608**
Timing of revenue recognition				
Services transferred over time	**100,534**	**33,370**	**376,553**	**510,457**
Services transferred at a point in time	**2,261**	**2,890**	**–**	**5,151**
Total	**102,795**	**36,260**	**376,553**	**515,608**

	Commercial property management services *RMB'000*	Residential property management services *RMB'000*	City services *RMB'000*	Total *RMB'000*
For the six months ended 30 June 2025 (unaudited)				
Rendering of services	124,836	32,233	324,658	481,727
Geographical market				
Chinese mainland	124,836	32,233	324,658	481,727
Timing of revenue recognition				
Services transferred over time	120,262	30,123	324,658	475,043
Services transferred at a point in time	4,574	2,110	–	6,684
Total	124,836	32,233	324,658	481,727

An analysis of other income and gains is as follows:

	For the six months ended	
	30 June 2026	30 June 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Other income		
Interest income	**1,328**	3,613
Fair value gains on investment properties	**–**	1,441
Gains on disposal of items of property, plant and equipment	**–**	1,258
Government grants*	**371**	239
Others	**56**	83
Other income and gains	**1,755**	6,634

* The amount represents subsidies received from local government authorities in connection with certain financial support to local business enterprises. These government subsidies mainly comprised subsidies for employment promotion and other miscellaneous subsidies and incentives for various purposes. There are no unfulfilled conditions relating to such government subsidies recognized.

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended	
	30 June 2026	30 June 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cost of services provided	**427,088**	403,118
Depreciation of property, plant and equipment	**13,445**	13,256
Depreciation of right-of-use assets	**228**	230
Amortisation of other intangible assets	**217**	216
Lease payments not included in the measurement of lease liabilities	**1,039**	441
Gain on disposal of items of property, plant and equipment	**–**	(1,258)
Auditor's remuneration	**700**	700
Interest income	**(1,328)**	(3,613)
Employee benefit expenses (including directors' and chief executive's remuneration)*:		
Wages, salaries and other allowances	**94,198**	85,510
Pension scheme contributions and social welfare	**23,550**	21,377
Total	**117,748**	106,887
Impairment of trade and bills receivables	**2,809**	5,722
Changes in fair value of investment properties	**1,637**	(1,441)

* Amounts of RMB95,345,000 of employee benefit expenses were included in cost of services during the six months ended 30 June 2026 (six months ended 30 June 2025: RMB90,100,000).

6. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Chinese mainland

Pursuant to the Corporate Income Tax Law of Chinese mainland and the respective regulations, the subsidiaries which operate in Chinese mainland are subject to corporate income tax at a rate of 25% on the taxable income.

	For the six months ended	
	30 June 2026	30 June 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current — Chinese mainland:		
Charge for the period	**13,374**	14,656
Deferred tax	**(962)**	(1,756)
Total tax charge for the period	**12,412**	12,900

7. DIVIDEND

	For the six months ended	
	30 June 2026	30 June 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Final declared — RMB0.3628 (2025: RMB0.3602) per ordinary share	**36,660**	36,397

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 101,047,000 outstanding during the six months ended 30 June 2026 and 2025.

The Group had no potentially diluted ordinary shares outstanding during the six months ended 30 June 2026 and 2025.

The calculation of basic and diluted earnings per share are based on:

	For the six months ended	
	30 June 2026	30 June 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Earnings:		
Profit for the period attributable to owners of the parent, used in the basic earnings per share calculation	**34,785**	34,414

	Number of shares '000 For the six months ended	
	30 June 2026	30 June 2025
	(Unaudited)	(Unaudited)
Shares:		
Weighted average number of ordinary shares outstanding during the period, used in the basic earnings per share calculation	**101,047**	101,047

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired assets at a cost of RMB19,802,000 (six months ended 30 June 2025: RMB20,082,000).

Assets with a net book value of RMB16,000 were disposed of by the Group during the six months ended 30 June 2026 (six months ended 30 June 2025: RMB591,000), resulting no gains or loss on disposal (net loss for the six months ended 30 June 2025: RMB1,258,000).

10. TRADE AND BILLS RECEIVABLES

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

	30 June 2026 *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Within 1 year	**608,352**	511,446
1 to 2 years	**181,747**	143,828
2 to 3 years	**24,599**	11,424
Total	**814,698**	666,698

11. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2026 *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Within 1 year	**562,385**	511,871
1 to 2 years	**3,921**	16,318
2 to 3 years	**2,818**	5,213
Over 3 years	**–**	589
Total	**569,124**	533,991

12. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Contracted, but not provided for:		
Buildings and machinery	**20,779**	43,413

13. RELATED PARTY TRANSACTIONS

(a) The Group had the following transactions with related parties during the period:

	For the six months ended	
	30 June 2026	30 June 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Property management services and city services income:		
Fellow subsidiaries	**72,662**	65,378
Joint ventures or associates of the immediate holding company	**8,354**	4,923
The immediate holding company	**–**	815
Total	**81,016**	71,116
Rental income:		
Joint ventures or associates of the immediate holding company	**327**	163
Purchases of services and goods from related companies:		
The immediate holding company	**17,259**	16,771
Joint ventures or associates of the immediate holding company	**15,406**	10,439
Total	**32,665**	27,210

Notes:

These transactions were carried out in accordance with the terms and conditions mutually agreed by the companies involved. The service fees take into account a wide range of factors, including but not limited to (i) the size, location and positioning of the properties; (ii) the type, scope, standards and requirements of the services; (iii) the anticipated operation costs (including but not limited to employees costs, administration costs and costs of materials); (iv) the fees for similar services and similar types of projects in the market; and (v) the prices charged by the Group for providing comparable services to other parties.

These related party transactions also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

On 28 November 2024, the Company entered into a master water supply agreement with 蘇州高新區自來水有限公司 (Suzhou Gaoxin Water Supply Co., Ltd.), pursuant to which the Group purchased water from Suzhou Gaoxin Water Supply Co., Ltd. for use in its operation and services. Suzhou Gaoxin Water Supply Co., Ltd. is a licensed municipal water supply company responsible for supply of tap water in Huqiu District, Suzhou. The master water supply agreement is for a term commencing from 1 January 2025 to 31 December 2027.

On 28 November 2024, the Company entered into a master property management services agreement with Suzhou Sugaoxin Group Co., Ltd. (the "**SND Company**") and its subsidiaries (the "**SND Group**"), the immediate and ultimate holding company of the Company, and its joint ventures or associates, pursuant to which the Group agreed to provide property management services to SND Group, (i) city services including but not limited to municipal infrastructure services and public facility management services; (ii) property management services for the commercial and residential properties owned or used by SND Group; (iii) value-added services including but not limited to carpark space management services, customized cleaning, maintenance and security services. The master property management services agreement has a term commencing from 1 January 2025 to 31 December 2027.

On 28 November 2024, 蘇州潤嘉工程有限公司 (Suzhou Runjia Engineering Co., Ltd.), a subsidiary of the Company, entered into a services procurement framework agreement with Suzhou Gaoxin Water Supply Co., Ltd., pursuant to which Suzhou Runjia Engineering Co., Ltd. agreed to provide facility and water supply maintenance services and water plant sanitation, water purification and sludge drying services to Suzhou Gaoxin Water Supply Co., Ltd. for a term commencing from 1 January 2025 to 31 December 2027.

(b) Outstanding balances with related parties:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Due from related companies:		
Trade related		
Fellow subsidiaries	**61,361**	70,580
Joint ventures or associates of the immediate holding company	**6,595**	3,136
Total	**67,956**	73,716

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Due to related companies:		
Trade related		
Fellow subsidiaries	**9,428**	9,300
Joint ventures or associates of the immediate holding company	**9,282**	14,376
The immediate holding company	**287**	–
Total	**18,997**	23,676
Non-trade related		
Fellow subsidiary	**8,807**	8,807
Total	**27,804**	32,483

Note:

Taihu Lake Jingu (Suzhou) Development Co., Ltd. made an advance to the Group and the amount is unsecured and bears interest at a rate of 3.55% per annum with a repayment term of three years. Except for the foregoing, other balances with related companies are unsecured, interest-free and have no fixed terms of repayment.

(c) Compensation of key management personnel of the Group:

	For the six months ended	
	30 June 2026	30 June 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Short-term employee benefits	**585**	649
Post-employment benefits	**186**	211
Total compensation paid to key management personnel	**771**	860

14. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	30 June 2026	31 December 2025	**30 June 2026**	31 December 2025
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
	(Unaudited)	(Audited)	**(Unaudited)**	(Audited)
Financial assets				
Equity investments at fair value through other comprehensive income	**5,120**	5,000	**5,120**	5,000
Financial liabilities				
Other liabilities	**182,507**	180,719	**182,507**	180,719
Non-current Interest-bearing bank loans	**17,328**	–	**17,328**	–
Total	**199,835**	180,719	**199,835**	180,719

Management has assessed that the fair values of cash and cash equivalents, trade and bills receivables, financial assets included in prepayments, other receivables, time deposits, pledged bank deposits, current interest-bearing bank loans, trade payables and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The finance manager of each subsidiary of the Group is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The Group's finance manager reports directly to the chief financial officer and the audit committee. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair values of the non-current portion of interest-bearing bank loans and other liabilities have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank loans and other liabilities as at the end of each period were assessed to be insignificant.

The Group invests in unlisted investments, which represent wealth management products issued by banks in the Chinese mainland. The Group has estimated the fair value of these unlisted investments by using the market approach based on the market interest rates of instruments with similar terms and risks and asset-based approach based on the general concept that the earning power of a business entity is derived primarily from its existing assets.

For the fair value of the unlisted equity investments at fair value through other comprehensive income, management has estimated the potential effect of using reasonably possible alternatives as inputs to the valuation model.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 30 June 2026:

	Fair value measurement using			
	Quoted prices in active markets Level 1 *RMB'000* **(Unaudited)**	**Significant observable inputs Level 2** *RMB'000* **(Unaudited)**	**Significant unobservable inputs Level 3** *RMB'000* **(Unaudited)**	**Total** *RMB'000* **(Unaudited)**
Equity investments at fair value through other comprehensive income	**–**	**5,120**	**–**	**5,120**

As at 31 December 2025:

	Fair value measurement using			
	Quoted prices in active markets Level 1 *RMB'000* (Audited)	Significant observable inputs Level 2 *RMB'000* (Audited)	Significant unobservable inputs Level 3 *RMB'000* (Audited)	Total *RMB'000* (Audited)
Equity investments at fair value through other comprehensive income	–	5,000	–	5,000

The movements in fair value measurements in Level 3 during the reporting period are as follows:

	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
At 1 January	**5,000**	3,484
Purchases	**–**	3,000
Remeasurement recognised in other comprehensive gains/(loss)	**120**	(1,484)
At 30 June	**5,120**	5,000

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (six months ended 30 June 2025: Nil).

15. EVENTS AFTER THE REPORTING PERIOD

On 21 July 2026, 蘇州金獅大廈發展管理有限公司 (Suzhou Golden Lion Building Development Management Co., Ltd.) ("**Golden Lion**"), a direct wholly-owned subsidiary of the Company, and 有巢住房租賃(蘇州)有限公司 (Youchao Housing Rental (Suzhou) Co., Ltd.) ("**the Purchaser**"), which is wholly owned by 華潤置地有限公司 (China Resources Land Limited), entered into an agreement in respect of the disposal of Jinlin Apartment, an investment property of Golden Lion. The final consideration for the disposal was RMB231 million, including the value-added tax.

16. APPROVAL OF THE FINANCIAL STATEMENTS

The unaudited interim condensed consolidated financial statements were approved and authorised for issue by the board of directors on 28 August 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The Group is a city service and property management service provider deeply rooted in the Yangtze River Delta Region, especially in Suzhou. 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 24 August 2022 (the "**Listing Date**") by way of global offering (the "**Global Offering**").

The Group focuses on providing city services, commercial property management services, residential property management services and property leasing. Headquartered in Suzhou, Jiangsu Province, the Group has established a solid market presence in the Yangtze River Delta Region. The Group believes that its strategic focus on the Yangtze River Delta Region, especially in Suzhou, and the established market position for providing city services and property management services in Suzhou will continue to support the growth of the Group's business scale and enable the Group to enjoy competitive advantages in the city service and property management service market of the People's Republic of China ("**China**" or "**PRC**").

The Group provides comprehensive city services and property management services to a wide variety of properties, including (i) city services offered to local governments and public authorities to satisfy local residents' daily living needs and improve their living standards and experience; (ii) commercial property management services offered to industrial parks, office buildings, apartments and commercial complexes; and (iii) residential property management services. The Group offers both traditional property management services and a wide range of value-added services to commercial properties and residential communities to address the diverse needs of its customers while enhancing customer stickiness. The Group also provides property leasing services where it leases out office buildings and apartments to diversify its revenue streams. The Group believes that provision of diverse services will improve customers' loyalty, increase its brand recognition and enhance business operations and financial performance.

As of 30 June 2026, the Group was contracted to provide public facility management services, basic commercial property management services and basic residential property management services to 202 projects in China, with a total contracted gross floor area ("**GFA**") of approximately 29.6 million square metres ("**sq.m.**"), representing an increase of 4.6% compared with 30 June 2025. Among these, 194 projects with a total GFA of over 27.6 million sq.m. were under the Group's management.

BUSINESS REVIEW

During the six months ended 30 June 2026, the Group derived its revenue primarily from four business lines, namely, (i) city services; (ii) commercial property management services; (iii) residential property management service; and (iv) property leasing services.

Portfolio of Properties under Management

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

	As of 30 June			
	2026		2025	
	Number of projects	**GFA under management** *sq.m.'000*	Number of projects	GFA under management *sq.m.'000*
Public facility management services	**77**	**6,540.6**	59	5,816.9
Basic commercial property management services	**88**	**17,525.3**	87	17,636.4
Basic residential property management services	**29**	**3,544.1**	31	3,423.0
Total	**194**	**27,610.0**	177	26,876.3

City Services

The Group assists local governments and public authorities in their provision of city services to improve local residents' living experience and environment. The Group's city services primarily include (i) municipal infrastructure services; (ii) public facility management services; and (iii) operation of waste collection centres.

Municipal Infrastructure Services

The Group offers municipal infrastructure services including cleaning, greening, maintenance, regular inspection and refurbishment services to ensure the cleanliness and normal operations of public infrastructure under the Group's management, including city roads, external walls of buildings along main city roads, street lamps, water supply network, as well as tram and tram platforms. The Group charges service fees based on the length of roads or GFA of the site area covered by its services.

As of 30 June 2026, the Group provided municipal infrastructure services to 26 projects.

Public Facility Management Services

The Group offers property management services including cleaning, security, gardening and landscaping, as well as repair and maintenance services to public facilities such as public museums, libraries, art and sports centres, city parks and office buildings for public authorities.

As of 30 June 2026, GFA of public facilities under the Group's management was approximately 6.5 million sq.m..

Operation of Waste Collection Centres

Underpinned by the Group's extensive experience in maintaining public facilities, the Group has been awarded by local governments and public authorities for the construction and operation of waste collection centres. Upon construction of waste collection centres, the Group assists local governments and public authorities in operating the waste collection centres and offering waste management services, including collecting household waste from city roads, households and commercial sources in the Suzhou Gaoxin District, transporting waste to the Group's operated waste collection centres, sorting and compacting waste for better treatment, and disposing compressed waste to incineration for burning or landfills for burying operated by third parties.

As of 30 June 2026, the Group had three waste collection centres with the maximum capacity to process a total of 1,200 tons of household waste per day and 50 tons of bulky waste per day.

Commercial and Residential Property Management Services

The Group's commercial and residential property management services include both basic property management services and value-added services. Basic property management services include security services, cleaning, greening and gardening services, and common area facility repair and maintenance services. Value-added services include carpark space management services, resource management services, property agency services, and other customized services such as customized cleaning and maintenance services, security services, hosting events, business support and/or assistance to customers in leasing printing machines according to specific customer demands.

As of 30 June 2026, the Group provided basic commercial property management services to 88 commercial properties with a total GFA under management of approximately 17.5 million sq.m., and 29 residential properties with a total GFA under management of approximately 3.5 million sq.m..

Property Leasing

The Group owns certain investment properties such as office buildings and apartments which are leased out as staff dormitories or offices. The Group charges rental fees and management fees.

As of 30 June 2026, the average occupancy rate of the Group's leased properties was approximately 15.3%. The Group recorded a decrease in average occupancy rate from approximately 24.6% in the six months ended 30 June 2025 to approximately 15.3% in the six months ended 30 June 2026, primarily due to the planned disposal of Jinlin Apartment (金鄰公寓), being the Company's largest property leasing project accounting for above 80% of the Company's overall leasable area and certain leases not renewed upon its expiry. Details are set out in the Company's announcement dated 21 July 2026 and the Company's circular dated 11 August 2026.

OUTLOOK

I. Expanding Business and Pursuing Breakthroughs — Elevating Competitive Strength

The Group continued to anchor its strategic positioning as "a provider of comprehensive city services and property management services", amplifying its brand influence, strengthening external growth drivers, and continuously expanding new projects aligned with the Group's operational direction. Following its deepened presence in 2025 and first half of 2026, the Group has covered all cities across Jiangsu Province and plans to further extend its footprint into the Yangtze River Delta Region. Focusing on professionalized services, the Group will refine core offerings such as order maintenance and cleaning services and build a quality management system standard, thereby continuously enhancing its core competitiveness.

II. Consolidating Foundations and Building on Strengths, and Building a Solid Foundation for Operations — Driving Cost Efficiency and Operational Excellence

In second half of 2026, the Group will prioritize enhancing quality and efficiency as its core operational objective, advancing cost reduction and efficiency improvement initiatives. First, precise cost management will be implemented: as for property, pilot programs for regional integration and the adoption of unattended operations will help further optimize the allocation of labor costs; as for city services, cleaning models will be refined to achieve labor cost efficiency through "streamlined operations". Second, centralized management will reduce expenditure: a unified procurement platform will be established, pricing frameworks for materials, services, and other categories will be developed, and supplier management mechanisms will be optimized to control procurement costs through "rigorous evaluation". Third, diversified value-added services will be provided: charging pile services will be provided for projects under management, offering repair and renovation services to property owners, thereby enhancing customer trust and strengthening customer stickiness; talent apartments will expand platforms for various activities, fostering a positive community ecosystem to increase resident satisfaction, thereby enhancing service reputation through these "additive" measures.

III. Breaking Boundaries and Embracing Digital Empowerment — Activating New Growth Drivers

The Group will actively explore digital transformation, creating innovative applications of artificial intelligence in service optimization to transcend traditional boundaries and activate digital momentum. In the first half of 2026, the Group successfully established a subsidiary technology service company. In the second half of the year, it will further accelerate the deployment of smart property management applications, enabling collaborative operations across business lines. Focusing on high-frequency, repetitive, and standardized operational scenarios, the Group systematically plans and pilots the introduction of AI robots for applications such as fire surveillance system upgrades, intelligent cleaning, intelligent security patrols, parcel delivery, and intelligent customer service, with the aim of establishing a human-robot collaborative service system where "robots handle standard tasks and employees address complex responsibilities". Efforts are underway to develop a flagship robotics demonstration project at the Taihu Embodied Intelligence Industrial Park (太湖具身智能產業園).

FINANCIAL REVIEW

Revenue

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

	For the six months ended 30 June			
	2026		2025	
	RMB'000	*%*	*RMB'000*	*%*
	(Unaudited)		(Unaudited)	
City services	**376,553**	**72.6%**	324,658	66.8%
— Municipal infrastructure services	**188,167**	**36.3%**	180,656	37.1%
— Public facility management services	**141,597**	**27.3%**	111,160	22.9%
— Operation of waste collection centers	**46,789**	**9.0%**	32,842	6.8%
Commercial property management services	**102,795**	**19.8%**	124,836	25.7%
— Basic property management services	**88,347**	**17.0%**	102,196	21.0%
— Value-added services	**14,448**	**2.8%**	22,640	4.7%
Residential property management services	**36,260**	**7.0%**	32,233	6.7%
— Basic property management services	**25,740**	**5.0%**	17,747	3.7%
— Value-added services	**10,520**	**2.0%**	14,486	3.0%
Property leasing	**3,014**	**0.6%**	4,142	0.8%
Total	**518,622**	**100.0%**	485,869	100.0%

Revenue of the Group increased by approximately 6.7% from approximately RMB485.9 million for the six months ended 30 June 2025 to approximately RMB518.6 million for the six months ended 30 June 2026, primarily reflecting the following:

(i) revenue from city services increased by approximately 16.0% from approximately RMB324.7 million for the six months ended 30 June 2025 to approximately RMB376.6 million for the six months ended 30 June 2026, primarily due to the addition of Suzhou Science and Technology Museum, Tuncun Health Center of Tongli Town in Wujiang District (吳江區同里鎮屯村衛生院), security services for the Suzhou Campus of Nanjing University (南京大學蘇州校區安保服務), and security services for Chengyang District (澄陽區域保安服務);

(ii) revenue from commercial property management services decreased by approximately 17.6% from approximately RMB124.8 million for the six months ended 30 June 2025 to approximately RMB102.8 million for the six months ended 30 June 2026, primarily due to reducing Phoenix Plaza and withdrawal of several projects of Yangcheng Lake Youxiong Hotel (陽澄湖有熊酒店), Suzhou High-Tech Zone Nanda Innovation Park (蘇高新南大創新園), Tianhe Guangneng Cleaning Services (天合光能保潔) and Schindler Suzhou Cleaning (迅達蘇州保潔);

(iii) revenue from residential property management services for the six months ended 30 June 2026 was approximately RMB36.3 million, representing an increase of 12.5% from RMB32.2 million for the six months ended 30 June 2025, primarily due to the addition of projects, including Xulanting (敘瀾庭), Shanyu Lanyuan (山語瀾院), Quanshan Yajing (泉山雅境), Xuwan Lanting (胥灣瀾庭), Heyue Boting (和月泊庭), and Yazhi Lanting (雅致瀾庭); and

(iv) revenue from property leasing services decreased by approximately 27.2% from approximately RMB4.1 million for the six months ended 30 June 2025 to approximately RMB3.0 million for the six months ended 30 June 2026, primarily due to the planned disposal of Jinlin Apartment and certain leases not renewed upon its expiry.

Cost of Sales

The Group's cost of sales increased from approximately RMB403.1 million for the six months ended 30 June 2025 to approximately RMB427.1 million for the six months ended 30 June 2026 primarily due to the increase in new projects and therefore the increase in corresponding 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* **(Unaudited)**	**Gross profit margin**	Gross profit *RMB'000* (Unaudited)	Gross profit margin
City services	**67,120**	**17.8%**	55,031	17.0%
Commercial property management services	**19,378**	**18.9%**	22,319	17.9%
Residential property management services	**3,271**	**9.0%**	2,814	8.7%
Property leasing	**1,765**	**58.6%**	2,587	62.5%
Total	**91,534**	**17.6%**	82,751	17.0%

The Group's gross profit increased by approximately 10.6% from approximately RMB82.8 million for the six months ended 30 June 2025 to approximately RMB91.5 million for the six months ended 30 June 2026, primarily due to the increase in gross profit from new projects.

The Group's gross profit margin increased during the period, primarily reflecting the following:

(i) gross profit for city services increased by approximately 22.0% from approximately RMB55.0 million for the six months ended 30 June 2025 to approximately RMB67.1 million for the six months ended 30 June 2026, primarily due to the addition of projects and cost reduction and efficiency enhancement measures which contributed to the increase in gross profit;

(ii) gross profit for commercial property management services decreased by approximately 13.2% from approximately RMB22.3 million for the six months ended 30 June 2025 to approximately RMB19.4 million for the six months ended 30 June 2026, primarily due to the withdrawal of Phoenix Plaza, Yangcheng Lake Youxiong Hotel (陽澄湖有熊酒店), Suzhou High-Tech Zone Nanda Innovation Park (蘇高新南大創新園), Tianhe Guangneng Cleaning Services (天合光能保潔) and Schindler Suzhou Cleaning (迅達蘇州保潔).

(iii) gross profit for residential property management services increased by 16.2% from approximately RMB2.8 million for the six months ended 30 June 2025 to approximately RMB3.3 million for the six months ended 30 June 2026, primarily due to the increase in gross profit resulting from the delivery of more residential projects.

(iv) gross profit for property leasing services decreased by approximately 31.8% from approximately RMB2.6 million for the six months ended 30 June 2025 to approximately RMB1.8 million for the six months ended 30 June 2026, primarily due to the planned disposal of Jinlin Apartment and certain leases not renewed upon its expiry.

Other Income and Gains

The Group's other income and gains decreased by approximately 73.5% from approximately RMB6.6 million for the six months ended 30 June 2025 to approximately RMB1.8 million for the six months ended 30 June 2026, primarily due to the decrease in interest come, gains on disposal of assets.

Selling and Marketing Expenses

The Group's selling and marketing expenses generally remained stable at RMB2.0 million for the six months ended 30 June 2025 and 30 June 2026.

Administrative Expenses

Administrative expenses increased by approximately 8.4% from approximately RMB26.1 million for the six months ended 30 June 2025 to approximately RMB28.3 million for the six months ended 30 June 2026, primarily due to an increase in staff costs resulting from the acquisition of 51% equity interest in Lianyungang Port & Shipping City Services Co., Ltd.(連雲港港航城市服務有限公司) by the Company in 2025.

Other Expenses

Other expenses increased by 257.1% from approximately RMB1.4 million for the six months ended 30 June 2025 to approximately RMB5.0 million for the six months ended 30 June 2026, primarily due to the increase in exchange losses and a decrease in the valuation of investment properties.

Finance Costs

Finance cost generally remained stable at RMB6.5 million for the six months ended 30 June 2025 and 30 June 2026.

Income Tax Expense

Income tax expenses remained relatively stable at approximately RMB12.9 million and RMB12.4 million for the six months ended 30 June 2025 and 30 June 2026, respectively.

Profit for the period

As a result of the foregoing, profit for the period increased from approximately RMB33.9 million for the six months ended 30 June 2025 to approximately RMB36.2 million for the six months ended 30 June 2026.

Property, Plant and Equipment

Property, plant and equipment increased from approximately RMB397.0 million as of 31 December 2025 to approximately RMB403.4 million as of 30 June 2026.

Investment Properties

The Group's investment properties mainly represent the value of commercial properties and rental apartments. Their value decreased from RMB364.7 million as of 31 December 2025 to RMB363.1 million as of 30 June 2026, generally remaining stable.

Equity Investment Designated at Fair Value Through Other Comprehensive Income

As of 30 June 2026, the Group recorded equity investments designated at fair value through other comprehensive income of approximately RMB5.1 million (31 December 2025: approximately RMB5.0 million).

As at 30 June 2026, equity investments designated at fair value through other comprehensive income reflect the value of the Group's equity investment in Suzhou Xinjingtian Business Land Development Company (蘇州新景天商務地產發展有限公司) ("**Suzhou Xinjingtian**") and Suzhou High-Tech Zhangxin Living Services Technology Co., Ltd. (蘇州高新掌新生活服務科技有限公司) ("**Living SND**"), details of which are set out below:

	Principal Business	**Percentage of equity attributes as of 30 June 2026**	**Investment costs** *RMB'000*	**Fair value through other comprehensive income as of 30 June 2026** *RMB'000*	**Size relative to the Company's total assets as of 30 June 2026**	**Fair value gains as of 30 June 2026** *RMB'000*
Suzhou Xinjingtian	Property development and leasing	8%	24,000	0	0%	0
Living SND	Operation of local life service e-commerce platform	10%	5,000	5,120	0.3%	120

No dividends were received on the above investments during the six months ended 30 June 2026 (31 December 2025: Nil).

The Group remains susceptible to the risk of fair value change of its equity investments designated at fair value through other comprehensive income, and may record a fair value loss on the equity investments in the future, which would lead to a decrease in the total assets as well as net assets.

To monitor the performance of the Group's equity investments, the Group has adopted the following internal control policies: (i) the manager and supporting staff of each equity investment report the investment budget, the operational status of the investment target, and the major issues and their potential consequences to the Group's management on a quarterly basis; (ii) the Group will review the equity investments at least annually, and conduct periodical or special audits of its investment assets; and (iii) all the files related to each equity investment are documented and archived.

Trade Receivables

Trade receivables are amounts due from independent third-party customers for services the Group performed in its ordinary course of business. The Group's trade receivables increased by approximately 22.2% from approximately RMB666.7 million as of 31 December 2025 to approximately RMB814.7 million as of 30 June 2026, primarily due to the expansion of city services, together with the relatively lengthy inspection and acceptance procedures and settlement audit processes for certain city services projects, resulting in an increase in trade receivables.

Prepayments, Other Receivables and Other Assets

The Group's prepayments, other receivables and other assets increased by approximately 29.8% from approximately RMB30.5 million as of 31 December 2025 to approximately RMB39.6 million as of 30 June 2026, primarily due to the increase in prepayments.

Trade Payables

Trade payables primarily represent the Group's obligations to pay for services acquired in the ordinary course of business from independent third-party subcontractors and construction parties of waste collection centres. The Group's trade payables increased by approximately 6.6% from approximately RMB534.0 million as of 31 December 2025 to approximately RMB569.1 million as of 30 June 2026, primarily due to the increase in trade payables incurred by the Group due to business expansion.

Other Payables and Accruals

Other payables and accruals represent (i) deposits that the Group collects from (a) property developers, property owners, residents and tenants before the Group commences its provision of property management services; and (b) property owners and residents before they begin renovating or refurnishing their units; (ii) payroll and welfare payable; (iii) maintenance funds; (iv) receipts of payments on behalf of customers, which primarily include payments from third parties for common area advertising and temporary parking; and (v) other tax payables.

The Group's other payables and accruals decreased from approximately RMB143.8 million as of 31 December 2025 to RMB132.1 million as of 30 June 2026, primarily due to a decrease in employee remuneration payable.

Contract Liabilities

Contract liabilities mainly arise from payments the Group receives from customers based on billing schedules prescribed in the property management service agreements. A portion of payments are usually received in advance of the performance of property management services under the contracts.

The Group's contract liabilities remained relatively stable at approximately RMB65.4 million as of 31 December 2025 and RMB66.5 million as of 30 June 2026.

Net Current Assets

The Group's total current assets increased by approximately 2.9% from approximately RMB1,177 million as of 31 December 2025 to approximately RMB1,211 million as of 30 June 2026, primarily due to the increase in trade receivables.

Total current liabilities increased by approximately 2.2% from approximately RMB892.9 million as of 31 December 2025 to approximately RMB912.3 million as of 30 June 2026, primarily due to the increase in trade payables.

As a result, the Group's net current assets increased by approximately 5.1% from approximately RMB283.9 million as of 31 December 2025 to approximately RMB298.5 million as of 30 June 2026.

LIQUIDITY AND CAPITAL RESOURCES

The Group's main source of liquidity mainly came from cash flow from operations, interest-bearing borrowings and proceeds from the listing of H Shares on the Stock Exchange. As of 30 June 2026, cash and cash equivalents of the Group amounted to approximately RMB257.7 million, of which RMB202.9 million was denominated in RMB and HK$63.1 million (equivalent to approximately RMB54.8 million) was denominated in Hong Kong dollars (31 December 2025: approximately RMB390.6 million, of which RMB316.0 million was denominated in RMB and HK$82.5 million was denominated in Hong Kong dollars).

Bank Borrowings

As of 30 June 2026, interest-bearing bank loans of the Group amounted to approximately RMB124.1 million (31 December 2025: approximately RMB105.8 million), which was denominated in Renminbi, of which approximately RMB100.1 million carried a fixed interest rate of 2.12% per annum and RMB24.0 million carried a fixed interest rate of 2.56% per annum.

The following table sets forth the components of the Group's borrowings as of the dates indicated:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Current		
— Current portion of long-term bank loans — secured	**6,715**	5,779
— Bank loans — unsecured	**100,058**	100,065
Non-current		
— Bank loans — secured	**17,328**	–
Total	**124,101**	105,844

The table below sets forth a repayment schedule of the interest-bearing bank loans as of the dates indicated:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Repayable within one year or on demand	**106,773**	105,844
Within the period beyond one year but not exceeding two years	**13,950**	–
Within the period beyond two years but not exceeding five years	**3,378**	–
Beyond five years	**–**	–
Total	**124,101**	105,844

Other Liabilities

As of 30 June 2026, the Group recorded other liabilities of approximately RMB182.5 million (31 December 2025: approximately RMB180.7 million). Other liabilities arose from an earmarked loan granted by the Suzhou Finance Bureau to Suzhou Xingang Municipal Greening Service Co., Ltd.* (蘇州新港市政綠化服務有限公司), a subsidiary of the Company, with nominal value of RMB200.0 million, an annual nominal interest rate of 3.37% payable semiannually and a maturity date on 27 February 2030 to facilitate the construction of waste collection centres.

Pledge of Assets

As of 30 June 2026, the Group's bank loan of approximately RMB24.1 million (31 December 2025: approximately RMB105.8 million).

Gearing Ratio

Gearing ratio is calculated based on total bank loans and other liabilities divided by total equity as of the end of that period. The Group's gearing ratio for the six months ended 30 June 2026 was 34.5% (31 December 2025: 32.3%).

Contingent Liabilities

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

Capital Expenditures

The Group's capital expenditure primarily represented expenditures incurred for purchase of property, plant and equipment and additions to leasehold land. During the six months ended 30 June 2026, the Group incurred capital expenditures of approximately RMB5.7 million (31 December 2025: RMB17.4 million).

MARKET RISK ANALYSIS

The Group's major financial instruments include bank loans, finance leases, other liabilities, which primarily consist of government bonds and cash and time deposits. The risks associated with these financial instruments include credit risk and liquidity risk. The Directors manage and monitor these exposures to ensure that appropriate measures are implemented in a timely and effective manner.

Credit Risk

The Group enters into transactions only with recognized and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is insignificant.

Liquidity Risk

The Group manages its exposure to liquidity risk primarily by monitoring current ratio. The objective of the Group is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing loans. The Group's policy is that all the borrowings should be approved by the chief financial officer of the Company.

Foreign Exchange Risk

The Group's operations are primarily conducted in RMB, which is the functional currency of the Group. Material fluctuations in the exchange rate of the RMB 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.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company did not have any other significant investment or significant acquisition and disposals of subsidiaries, associates and joint ventures during the six months ended 30 June 2026.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

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

Disposal of the Property through Public Tender

On 29 April 2026, the Company announced that Suzhou Golden Lion Building Development Management Co., Ltd.* (蘇州金獅大廈發展管理有限公司) (a direct wholly-owned subsidiary of the Company) ("**Golden Lion**") proposed to dispose of an immovable property located at No. 365 Heshan Road, Suzhou City (the "**Property**") through public tender at the Suzhou Exchange Centre in accordance with the relevant rules and regulations in the PRC.

On 21 July 2026, Youchao Housing Rental (Suzhou) Co., Ltd.* (有巢住房租賃(蘇州)有限公司) (the "**Purchaser**") was the successful bidder of the Property at the final consideration of RMB231 million upon the completion of the public tender at the Suzhou Exchange Centre. Accordingly. Golden Lion as vendor and the Purchaser as purchaser entered into an asset transfer agreement, pursuant to which Golden Lion conditionally agreed to dispose of, and the Purchaser conditionally agreed to purchase, the Property at the consideration of RMB231 million (the "**Disposal**").

The Disposal constituted a major transaction of the Company under the Listing Rules and is subject to the approval of the shareholders of the Company. As at 11 August 2026 and up to the date of this Announcement, Suzhou Sugaoxin Group Co., Ltd. (蘇州蘇高新集團有限公司) ("**SND Company**") and its wholly-owned subsidiary, Sugaoxin Chengjian Development (Suzhou) Co., Ltd. (蘇高新城建發展(蘇州)有限公司) ("**SND Chengjian**"), held an aggregate of 75,000,000 Domestic Shares, representing approximately 74.22% of the issued share capital of the Company, of which 69,846,825 Domestic Shares (representing approximately 69.12% of the issued share capital of the Company) were held by SND Company, and 5,153,175 Domestic Shares (representing approximately 5.10% of the issued share capital of the Company) were held by SND Chengjian. SND Company and SND Chengjian, being the controlling shareholders of the Company, have approved the Disposal by way of written shareholders' approval pursuant to Rule 14.44 of the Listing Rules in lieu of a resolution to be passed at a general meeting of the Company.

For details of the Disposal, please refer to the Company's announcements dated 29 April 2026 and 21 July 2026, and the Company's circular dated 11 August 2026.

Save as disclosed above, 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.

PROCEEDS FROM LISTING

The Company raised net proceeds from the Global Offering (including the proceeds from the partial exercise of the Over-allotment Option (as defined in the prospectus of the Company dated 10 August 2022, the "**Prospectus**")) in the amount of approximately HK$176.3 million (the "**Net Proceeds**").

The Board resolved to adjust the intended use and allocation of the Net Proceeds on 27 April 2023 such that the unutilized Net Proceeds in the amount of approximately HK$38.8 million from "strategic investments" and all the unutilized Net Proceeds in the amount of approximately HK$14.1 million from "investments in companies providing elderly care, nursing and medical services" under "expansion and diversification of value-added services" (i.e. a total of unutilized Net Proceeds of approximately HK$52.9 million) were re-allocated to fund the "acquisition of office building in Hong Kong for own use and leasing" under "acquisition". Details are set out in the Company's announcement dated 27 April 2023 (the "**2023 UOP Announcement**").

In addition, the Board has also resolved to re-allocate HK$52.9 million of the unutilized Net Proceeds from the subcategory of "Acquisition of office building in Hong Kong for own use and leasing" to fund a new subcategory of "Acquisition of the land in the PRC" under the major category of "Acquisition". Details are set out in the Company's announcement dated 29 April 2024 (the "**2024 UOP Announcement**").

The Company intends to utilise the Net Proceeds according to the plans set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus as amended in the manners set out in the 2023 UOP Announcement and the 2024 UOP Announcement. Save as disclosed in the 2023 UOP Announcement and the 2024 UOP Announcement, there are no other changes in the use of the remaining unutilized Net Proceeds.

An analysis of the utilization of the Net Proceeds as at 30 June 2026 is set out below:

Proposed use of Net Proceeds		**Planned use of Net Proceeds as set out in the Prospectus** *(HK$ million)*	**Unutilised Net Proceeds after the revised allocation as stated in the 2023 UOP Announcement and the 2024 UOP Announcement** *(HK$ million)*	**Unutilised Net Proceeds as of 31 December 2025** *(HK$ million)*	**Net Proceeds utilised during the six months ended 30 June 2026** *(HK$ million)*	**Unutilised Net Proceeds as of 30 June 2026** *(HK$ million)*	**Expected time of full utilisation**
Major categories	**Sub-categories/Specific plans**						
Acquisitions	Acquisitions of other property management companies and companies providing city services and property management services	52.9	47.19	21.42	0	21.42	By 31 December 2026
	Acquisition of office building in Hong Kong for own use and leasing	N/A	N/A	N/A	N/A	N/A	N/A
	Acquisition of the Land in the PRC	N/A	52.9	0	N/A	N/A	N/A
Strategic Investments	Investments in waste collection centers and companies providing operational and management services to waste collection centers	52.9	N/A	N/A	N/A	N/A	N/A
Expansion and diversification of value-added services	Establishment of the Group's own brand "Suxin Leju (蘇新樂居)" and launch of apartment management and operational services for housing for talents	26.4	24.84	19.29	3.27	16.02	By 31 December 2026
	Investments in companies providing elderly care, nursing and medical services	14.1	N/A	N/A	N/A	N/A	N/A
Technological investment	Investments in the Group's Technologies and Intelligent Operations	7.1	0.99	N/A	N/A	N/A	N/A
Talent Training and Retention		5.3	N/A	N/A	N/A	N/A	N/A
Working capital and other general corporate purposes		17.6	N/A	N/A	N/A	N/A	N/A
	Total	176.30	158.17	40.71	3.27	37.44	

As of 30 June 2026, the Directors are not aware of any material change in the planned use of the Net Proceeds. The remaining Net Proceeds which had not been utilized were placed in short-term demand deposits with licensed financial institution. The unutilised Net Proceeds and the above timeline of intended utilization will be applied in the manners disclosed by the Company. However, the expected timeline for the unutilised Net Proceeds is based on the Directors' best estimation barring unforeseen circumstances, and would be subject to change based on the future development of the Group's business and the market conditions.

EMPLOYEES AND REMUNERATION POLICY

As of 30 June 2026, the Group had a total of 1,866 full-time employees (31 December 2025: 1,794). For the six months ended 30 June 2026, the staff cost recognised as expenses of the Group amounted to approximately RMB117.7 million (30 June 2025: approximately RMB107.0 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 of the Company.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company aims to achieve high standards of corporate governance which are crucial to the development of the Group and would safeguard the interests of the Company's shareholders.

During the six months ended 30 June 2026, the Company has applied the principles of good corporate governance and complied with the code provisions set out in Part 2 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") as its own code of conduct for dealings in the securities of the Company by the Directors.

Specific enquiry has been made to all the Directors and they have confirmed that they have complied with the Model Code during the six months ended 30 June 2026.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the six months ended 30 June 2026.

As of 30 June 2026, the Group did not hold any treasury shares.

INTERIM DIVIDEND

The Board resolved not to declare any interim dividend for the six months ended 30 June 2026.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") comprises three members namely, Ms. Li Xin (a non-executive Director), Ms. Xin Zhu and Mr. Liu Xin (both are independent non-executive Directors), with Ms. Xin Zhu being the chairlady of the Audit Committee.

REVIEW OF INTERIM RESULTS

The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2026, including the applicable accounting policies and accounting standards adopted by the Group, and considers that such statements have been prepared in compliance with the applicable Listing Rules.

The financial information set out in this announcement represents an extract from the interim condensed consolidated financial information for the six months ended 30 June 2026, which is unaudited but has been reviewed by the auditor of the Company, Ernst & Young, in accordance with Hong Kong Standard on Review Engagements 2410 issued by the Hong Kong Institute of Certified Public Accountants.

RESIGNATION OF JOINT COMPANY SECRETARY AND CHANGE OF AUTHORISED REPRESENTATIVE

Reference is made to the announcement of the Company dated 28 August 2023 in relation to, among other things, the appointment of Mr. Zhao Yu ("**Mr. Zhao**") and Mr. Cheng Ching Kit ("**Mr. Cheng**") as the joint company secretary (the "**Joint Company Secretary**") of the Company, and the waiver granted to the Company by the Stock Exchange from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules in relation to the qualification of Mr. Zhao to act as one of the Joint Company Secretaries for a period of three years from the date of appointment of Mr. Zhao as a Joint Company Secretary (i.e. 28 August 2023) to 27 August 2026.

The board of directors of the Company is pleased to announce that the Stock Exchange has confirmed that Mr. Zhao is eligible to act as the company secretary (the "**Company Secretary**") of the Company under Rules 3.28 and 8.17 of the Listing Rules. Accordingly, Mr. Cheng has tendered his resignation as a Joint Company Secretary of the Company and an authorised representative of the Company (the "**Authorised Representative**") under Rule 3.05 of the Listing Rules, with effect from 28 August 2026.

Mr. Cheng has confirmed that he has no disagreement with the Board and there is no matter relating to her resignation that needs to be brought to the attention of the Stock Exchange and the shareholders of the Company. Following the resignation of Mr. Cheng, Mr. Zhao Yu will remain as the sole Company Secretary.

The Board further announces that, Mr. Zhao Yu has been appointed as the Authorised Representative with effect from 28 August 2026.

The Board would like to take this opportunity to express its sincere gratitude to Mr. Cheng for his contributions to the Company during his tenure of service.

PUBLICATION OF INTERIM RESULTS AND 2026 INTERIM REPORT

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

By order of the Board
Suxin Joyful Life Services Co., Ltd.
Mr. Wang Hua
Chairman and Executive Director

Suzhou, the People's Republic of China, 28 August 2026

As at the date of this announcement, the executive Directors of the Company are Mr. Wang Hua, Mr. Chen Mingdong and Mr. Wang Xinfeng (Employee Representative Director); the non-executive Directors of the Company are Ms. Li Xin, Mr. Cao Bin and Mr. Zhang Jun; and the independent non-executive Directors of the Company are Ms. Zhou Yun, Ms. Xin Zhu and Mr. Liu Xin.