



# KWG LIVING GROUP HOLDINGS LIMITED

Enjoy Life  
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**2026 INTERIM REPORT**

Incorporated in the Cayman Islands with limited liability

Stock Code: 3913



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## CORPORATE INFORMATION

### Board of Directors

#### Executive Directors

KONG Jiannan

CHEN Wende

#### Non-executive Director

KONG Jianmin (*Chairman*)

#### Independent Non-executive Directors

LIU Xiaolan

FUNG Che Wai, Anthony

NG Yi Kum

#### Audit Committee

LIU Xiaolan

FUNG Che Wai, Anthony

NG Yi Kum (*Chairperson*)

#### Remuneration Committee

KONG Jiannan

FUNG Che Wai, Anthony

NG Yi Kum (*Chairperson*)

#### Nomination Committee

KONG Jianmin (*Chairperson*)

FUNG Che Wai, Anthony

NG Yi Kum

#### Company Secretary

TSEONG Ka Wai (*resigned on 15 July 2026*)

ZHU Zhen (*appointed on 15 July 2026*)

#### Authorised Representatives

KONG Jiannan

TSEONG Ka Wai (*resigned on 15 July 2026*)

CHEN Wende (*appointed on 15 July 2026*)

#### Auditor

CLA Prism Hong Kong Limited

(formerly known as Prism Hong Kong Limited)

Certified Public Accountants

Registered Public Interest Entity Auditor

### Legal Advisors

As to Hong Kong law: Sidley Austin

As to Cayman Islands law: Conyers Dill & Pearman

### Registered Office

Cricket Square, Hutchins Drive, P.O. Box 2681,

Grand Cayman, KY1-1111, Cayman Islands

### Principal Place of Business in Hong Kong

Room 1302, 13th Floor, Harcourt House,

39 Gloucester Road, Wanchai, Hong Kong

Room 3505, 35/F, Lee Garden One,  
33 Hysan Avenue, Causeway Bay, Hong Kong  
(with effect from 28 August 2026)

### Principal Share Registrar

Conyers Trust Company (Cayman) Limited

Cricket Square, Hutchins Drive, P.O. Box 2681,

Grand Cayman, KY1-1111, Cayman Islands

### Hong Kong Share Registrar

Computershare Hong Kong Investor Services Limited

Shops 1712–1716, 17/F, Hopewell Centre,

183 Queen's Road East, Wan Chai, Hong Kong

### Principal Bankers

China CITIC Bank Co., Limited

China Construction Bank Corporation

China Everbright Bank Co., Limited

China Merchants Bank Co., Limited

Hua Xia Bank Co., Limited

Industrial and Commercial Bank of China Limited

Industrial Bank Co., Limited

### Website

[www.kwgliving.com](http://www.kwgliving.com)

### Stock Code

3913

## CORPORATE PROFILE

The history of KWG Living Group Holdings Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”, “**we**”, “**us**” or “**our**”) can be traced back to 2004. Its shares (the “**Shares**”) were listed (the “**Listing**”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (stock code: 3913) on 30 October 2020 (the “**Listing Date**”).

The Group is a leading full-scale smart service operator in the People’s Republic of China (“**PRC**” or “**China**”). Leveraging over 20 years of professional operation, the Group has achieved in-depth coverage across diversified businesses, with service scenarios covering residence, office buildings, shopping malls, hotels, institutions, schools, hospitals, industrial parks, public buildings and city services. The Group has long been dedicated to deepening its presence in the Guangdong-Hong Kong-Macao Greater Bay Area and the Yangtze River Delta region, continuously consolidating its regional leading advantages, while steadily expanding into core cities of the Bohai Economic Rim and Midwest China to enhance its market coverage and business share on a continuous basis.

Looking forward, the Group will fully leverage industrial opportunities to proactively expand third-party market-oriented business, promote the synergistic collaboration and organic integration among various businesses, and continuously strengthen its scale advantages and market position. At the same time, the Group will further establish a standardised and technology-driven service system, leveraging refined operations and technology empowerment to continuously enhance service efficiency and quality, thereby building a positive cycle of high-quality and sustainable development.

## CHAIRMAN'S STATEMENT

### Dear Shareholders,

Thanks for your continued support for the Group's development. I am pleased to present the interim report of the Group for the six months ended 30 June 2026.

In the first half of 2026, the pace of global economic recovery diverged, while geopolitical developments and fluctuations in international trade continued to create multiple external uncertainties, resulting in a generally cautious market. China's economy recovered steadily and remained generally stable. However, the domestic market still requires sustained stimulus, and market participants across sectors have been proactively adjusting and building momentum. The traditional growth model of the property management services industry, which relied on property developers' project deliveries to drive scale expansion, has now evolved, with the focus of industry competition returning to the fundamental value of service. As the public's demand for high-quality living and urban services continues to rise, alongside the ongoing implementation of urban renewal and the standardised upgrading of public supporting services, the scope of value delivered by property management services continues to expand, presenting clear and considerable long-term growth potential for the industry.

Against the backdrop of industry transformation, the Group has leveraged its all-format service system to build development resilience, while steadfastly adhering to the operating principles of placing customer needs as the core and service quality as the foundation. Affected by factors including the profound adjustment of the upstream real estate sector and intensifying market competition, the Group's operating performance came under period-specific pressure. For the six months ended 30 June 2026, the Group recorded revenue of approximately RMB1,570.2 million and a net loss of approximately RMB155.0 million. In response to short-term operational pressures, the Group has continued to enhance the quality and efficiency of internal management, coordinate the deployment of various resources, and comprehensively enhance its refined operational capabilities across all projects. At the same time, the Group has steadily cultivated independent and sustainable drivers of long-term growth, laying a stronger foundation for steady and high-quality development.

### I. Adhering to a market-oriented development strategy and building regional competitive advantages

As the industry enters an era of competition for existing market share, market-oriented expansion and deeper penetration of core city clusters have become two key paths for the Group to achieve independent and sustainable development. Third-party market-oriented business is an important pillar supporting the Group in broadening its growth channels and establishing a distinct growth trajectory. The Group has actively participated in tenders for a diverse range of market-oriented projects and continued to expand the scale of its third-party business through its well-established integrated service solutions. For the six months ended 30 June 2026, revenue from third-party accounted for 92.0% of the Group's total revenue, further demonstrating the continued progress of the Group's independent market development capabilities. In terms of regional deployment, leveraging its long-established local operational resources and market reputation, the two core strategic regions, the Greater Bay Area and the Yangtze River Delta, generated approximately 63.8% of the Group's revenue in aggregate, with the regional cluster effect continuing to materialise. Market-oriented expansion and deeper penetration of key regions reinforce and complement each other, continuously refining the Group's overall business footprint and laying a solid foundation for steady operations and growth over the medium to long term.

## CHAIRMAN'S STATEMENT

## II. Unleashing the potential of diversified business formats and enhancing comprehensive operational capabilities

Building on its long-term strategy of providing integrated operational services across the full spectrum of urban spaces, the Group has established tailored and specialised operating systems for each business segment, continuously strengthening differentiated core service capabilities. The commercial segment focuses on full life-cycle asset operations and management, iterating operating solutions around diverse consumption scenarios to invigorate customer traffic in commercial districts and support the steady operation of merchants. The public property segment has established a standardised integrated facilities operation and maintenance system, providing refined and intensive logistics support services across diverse scenarios, including government agencies, educational institutions, medical institutions and industrial parks. The Group promotes the sharing of operational experience and service resources among its various business segments, leveraging its integrated comprehensive service capabilities across different scenarios to capture incremental market opportunities and diversify its revenue mix. Looking ahead, the Group will continue to unlock synergies across business segments, refine professional operating standards for each segment, consolidate its industry competitiveness through its advantages in integrated comprehensive services, and strengthen the foundation for the Group's high-quality development.

## III. Strengthening internal organisational capabilities and building momentum for business development

Against the backdrop of profound industry transformation, a lean and efficient organisational system provides an essential foundation for enterprises to advance steadily. The Group has taken coordinated measures across three dimensions: talent cultivation, organisational efficiency and cultural development, to comprehensively strengthen its operational resilience. In respect of talent development, the Group has established a systematic, tiered and categorised cultivation mechanism, providing targeted professional capability-building programmes based on business development needs and developing a multidisciplinary professional talent pool to provide solid talent support for market-oriented expansion and all-format operations. At the organisational management level, the Group adheres to performance-oriented and efficiency-driven, continuously optimising internal operating processes and fully activating the organisation's internal dynamism. Meanwhile, the Group regularly promotes its corporate culture, upholding the core values centred on service-first and pragmatic excellence, while improving employee incentive and care mechanisms to foster shared commitment among all employees and strengthen team cohesion and collective drive. Going forward, the Group will continue to implement the upgrading of lean management and establish a synergistic talent, organisation and culture system, supporting the Group's long-term and stable development with solid organisational strength.

## IV. Future outlook

Looking ahead to the second half of 2026, the global macroeconomic environment is expected to remain complex and volatile, while the domestic economy will continue to undergo in-depth industrial adjustment. The property management services industry will continue to face multiple structural challenges, including homogeneous competition, continuously rising customer service expectations and escalating rigid costs. The Group will remain committed to prudent operations, uphold the long-term development philosophy, and steadfastly pursue high-quality and sustainable development.

We thank all shareholders, partners and employees for their trust and support. The Group will continue to create value through professional services and looks forward to joining hands with all parties, leveraging collective strengths and embarking on a new journey together.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business Review

The first half of 2026 coincided with the first year of the 15th Five-Year Plan. During the period, the “Implementation of Property Service Quality Improvement Initiative” was incorporated into a number of national-level plans, with policy requirements for service quality and professional capabilities in the industry becoming more stringent. Meanwhile, the property management industry has been rapidly shifting from a scale-oriented model towards one that prioritises quality and efficiency, while property owners continue to demand higher service quality and a closer alignment between service quality and value. Facing multiple challenges, including a moderate recovery in the macroeconomy, the continued contraction of the real estate industry chain and rising operating costs in the industry, the Group has adhered to a prudent operating approach, focused on refined management and the optimisation of its business structure, and prudently advanced its various business layouts. However, due to the combined effects of uncertainty in the external environment and strategic adjustments to certain businesses, the Group’s operating results came under period-specific pressure during the period. For the six months ended 30 June 2026, the Group recorded total revenue of approximately RMB1,570.2 million, representing a year-on-year decrease of 5.3%, and a net loss of approximately RMB155.0 million, representing a year-on-year decrease of approximately 44.0%.

### Core Business Resilience Under Pressure

In the first half of 2026, demand in the residential property management market continued its weak momentum. The number of property sales offices served by the Group further declined compared with the corresponding period last year, while clients continued to slow the pace of their project launches, resulting in a corresponding decrease in demand for preliminary property services. During the reporting period, revenue from residential property management services decreased by 1.6% year-on-year to approximately RMB820.8 million. Nevertheless, the Group maintained high-quality service standards for its existing residential projects under management. Through continued efforts to enhance property owners’ satisfaction and its refined service capabilities, the revenue from residential property management services and the revenue from value-added services remained broadly stable year-on-year. Looking ahead, the Group will continue to regard its core business as the foundation of its development and maintain prudent operations while keeping risks under control.

### Strategic Optimisation and Contraction

In response to structural challenges, including persistent operating losses and price pressures at certain public properties, the Group has continuously improved its project risk assessment mechanism and carried out systematic reviews and optimisation of its existing project portfolio. During the period, the Group conducted in-depth risk assessments of certain public property projects and, taking into account their operating conditions, cash flow performance and long-term profitability prospects, proactively exited certain projects that continued to incur losses or showed no prospect of improved profitability, thereby enhancing the overall quality of its project portfolio. Revenue from non-residential property management and commercial operation services decreased by 9.1% year-on-year to approximately RMB749.4 million during the reporting period. Looking ahead to the second half of the year, the Group will continue to optimise the quality and structure of the projects, strictly implement project admission standards and periodic review mechanisms, and ensure the quality of profitability and the soundness of cash flows of its existing project portfolio.

## MANAGEMENT DISCUSSION AND ANALYSIS

**Impact of Impairment of Certain Assets**

- (i) For the six months ended 30 June 2026, the Group recognised an impairment provision of approximately RMB194.2 million in respect of trade receivables. The provision was mainly attributable to the continuous downturn in China's real estate industry and the significant changes in the market environment, including weakening demand and downward pressure on housing prices, which posed challenges on the overall business environment and resulted in slower recovery of trade receivables due to the Group. Accordingly, the Group prudently assessed the amount of impairment provisions for trade receivables and made reasonable accounting estimates;
- (ii) For the six months ended 30 June 2026, the Group recognised an impairment loss on goodwill of approximately RMB76.3 million. This was mainly attributable to intense market competition, which resulted in the non-renewal of certain contracts of subsidiaries acquired by the Group in prior periods. The expansion of the new customer bases of such subsidiaries fell short of expectations, which coupled with the increase in costs for service quality enhancement, led to a decline in the revenue and operating profit of such subsidiaries. Notwithstanding the reported decline in their operating profits, such subsidiaries still recorded net operating profits during the period.

**Continuous Increase in Business Independence**

In the first half of 2026, against the backdrop of volatility in the macroeconomic environment and pressures arising from industry adjustment, the Group continued to deepen its market-oriented strategy, focusing on third-party market expansion to further enhance its business independence and risk-resilience. During the reporting period, the proportion of revenue derived from independent third parties further increased from 91.5% in the corresponding period of 2025 to 92.0%, reflecting the Group's substantive progress in reducing its reliance on related-party business and expanding external markets. As the Group's brand recognition and comprehensive service capabilities improved, the Group will remain focused on core city clusters and strengthen its differentiated competitive advantages to establish a sustainable and independent operating model.

**Structural Optimisation and Stronger Foundations**

In the first half of 2026, in response to the divergence in economic vitality and industrial structure across different regions, the Group remained committed to its strategy of deepening its presence in key regions. During the reporting period, revenue from the Greater Bay Area and the Yangtze River Delta, being the two major regions, accounted for 63.8% of the Group's revenue, providing stable support for its revenue structure. The ongoing optimisation of the Group's regional footprint not only helps to control operating costs and improve resource utilisation efficiency, but also lays a foundation for advancing centralised management and enhancing regional brand influence in the future.

## MANAGEMENT DISCUSSION AND ANALYSIS

The Group has consistently regarded customer satisfaction as its core objective. Through refined operations, enhanced full life-cycle and all-factor management, digital and intelligent transformation, and the development of talent mechanisms, the Group promotes the optimisation of its revenue structure and enhancement of service capabilities, driving long-term value creation. Looking ahead, the Group will remain focused on improving the quality of its operations. On the basis of safeguarding the operating quality and long-term health of its projects, the Group will accelerate the transition of its business structure from scale-driven to value-driven and strengthen the foundation for sustainable growth.

### Business Model

The Group generates revenue primarily from two principal business segments: (i) residential property management services; and (ii) non-residential property management and commercial operational services.

#### Residential Property Management Services

The Group provides residential property management services and introduces a range of services meeting the needs of households and residents in the communities, including:

- pre-sale management services such as cleaning, security and maintenance services for pre-sale display units and sales offices to property developers during their pre-sale activities. The Group charges a fixed service fee for such services;
- property management services such as cleaning, security, gardening and repair and maintenance services to (i) property developers for the undelivered portion of the properties; and (ii) property owners, property owners' associations or residents for properties sold and delivered. The Group charges property management fees for such services; and
- community value-added services such as (i) home-living services — the provision of a wide range of services catered to the personalised needs of owners through the integration of industrial and ecological resources; (ii) property agency services — property agency services provided to property owners, residents and property developers; and (iii) common area value-added services — aiming to provide daily-living convenience to property owners and residents and enhance the owners' sense of pleasant accommodation by utilising the community space. The Group typically charges a commission fee or a fixed fee depending on the nature of services rendered.

## MANAGEMENT DISCUSSION AND ANALYSIS

**Non-residential Property Management and Commercial Operational Services**

The Group manages and operates a diversified portfolio of non-residential properties, provides property management and commercial operational services to commercial properties such as shopping malls, office buildings and industrial parks, and provides property management services to schools, hospitals, government authorities and other public properties. The Group's services include:

- pre-sale management services such as cleaning, security and maintenance services for pre-sale display units and sales offices to property developers. The Group charges a fixed service fee for such services;
- property management services such as file management, cleaning, security, gardening and repair and maintenance services to property owners or tenants. The Group charges property management fees for such services;
  - property management services for commercial properties: the Group charges property management fees for property management services provided to commercial properties (including shopping malls and office buildings);
  - public property services and urban services: the Group charges corresponding management fees for property management services provided to public properties (including schools, hospitals, government authorities, industrial parks and transportation hubs) and for urban cleaning services provided to urban spaces (including urban roads, rivers and others);
- commercial operational services such as preliminary planning and consultancy services, tenancy sourcing services, tenancy management services and marketing and promotion services to property owners and property developers. The Group typically charges (i) a commission-based fee with respect to the operation of shopping malls; (ii) a profit mark-up on top of the costs with respect to the operation of office buildings; and (iii) a fixed service fee on a per square metre basis for its preliminary planning and consultancy services and tenancy sourcing services; and
- other value-added services such as primarily common area value-added services. The Group typically charges a commission-based fee or a fixed fee depending on the nature of services rendered.

## MANAGEMENT DISCUSSION AND ANALYSIS

**Breakdown of Total Revenue by Business Segments and Regions**

The table below sets forth the breakdown of the Group's total revenue by business segments for the reporting periods indicated:

|                                                                                | Six months ended 30 June |       |           |       |
|--------------------------------------------------------------------------------|--------------------------|-------|-----------|-------|
|                                                                                | 2026                     |       | 2025      |       |
|                                                                                | RMB'000                  | %     | RMB'000   | %     |
| <b>Residential property management services</b>                                |                          |       |           |       |
| Pre-sale management services                                                   | 20,125                   | 1.3   | 34,875    | 2.1   |
| Property management services                                                   | 726,898                  | 46.3  | 725,983   | 43.8  |
| Community value-added services                                                 | 73,793                   | 4.7   | 73,103    | 4.4   |
| Sub-total                                                                      | 820,816                  | 52.3  | 833,961   | 50.3  |
| <b>Non-residential property management and commercial operational services</b> |                          |       |           |       |
| Pre-sale management services                                                   | 2,429                    | 0.1   | 5,093     | 0.3   |
| Property management services                                                   | 680,222                  | 43.3  | 748,674   | 45.2  |
| Commercial operational services                                                | 26,006                   | 1.7   | 25,183    | 1.5   |
| Other value-added services                                                     | 40,715                   | 2.6   | 45,226    | 2.7   |
| Sub-total                                                                      | 749,372                  | 47.7  | 824,176   | 49.7  |
| Total                                                                          | 1,570,188                | 100.0 | 1,658,137 | 100.0 |

## MANAGEMENT DISCUSSION AND ANALYSIS

**Residential Property Management Services**

For the six months ended 30 June 2026, the revenue of the Group's residential property management services segment decreased by 1.6% year-on-year to approximately RMB820.8 million from approximately RMB834.0 million for the corresponding period in 2025. The decrease in revenue was mainly attributable to pressure in the real estate market, which resulted in a decrease in the number of sales offices of residential properties under the Group's management and, consequently, a decrease in revenue from pre-sale management services in the residential segment.

During the six months ended 30 June 2026, although the Group's revenue from the residential property management services segment was affected by the pressure on the real estate market, the Group maintained its focus on the core regions and continued to deepen its presence in economically developed regions. The distribution of revenue from the residential segment across four regions remained basically stable, among which the proportion of revenue from the Greater Bay Area and the Yangtze River Delta region reached 58.9%.

The table below sets forth a breakdown of the Group's total revenue generated from residential property management services for the periods indicated by regions:

|                                         | Six months ended 30 June |       |         |       |
|-----------------------------------------|--------------------------|-------|---------|-------|
|                                         | 2026                     |       | 2025    |       |
|                                         | RMB'000                  | %     | RMB'000 | %     |
| Greater Bay Area                        | 310,351                  | 37.8  | 315,437 | 37.8  |
| Yangtze River Delta <sup>(1)</sup>      | 172,823                  | 21.1  | 158,170 | 19.0  |
| Midwest China and Hainan <sup>(2)</sup> | 301,252                  | 36.7  | 318,157 | 38.1  |
| Bohai Economic Rim <sup>(3)</sup>       | 36,390                   | 4.4   | 42,197  | 5.1   |
| Total                                   | 820,816                  | 100.0 | 833,961 | 100.0 |

Notes:

- (1) Include Shanghai, Zhejiang Province, Anhui Province and Jiangsu Province.
- (2) Include Sichuan Province, Yunnan Province, Shaanxi Province, Hubei Province, Hunan Province, Jiangxi Province, Guangxi Zhuang Autonomous Region, Guizhou Province, Henan Province, Fujian Province, Hainan Province, Xinjiang Uygur Autonomous Region and Chongqing.
- (3) Include Beijing, Tianjin and Shandong Province

## MANAGEMENT DISCUSSION AND ANALYSIS

***Non-residential Property Management and Commercial Operational Services***

For the six months ended 30 June 2026, the revenue of the Group's non-residential property management and commercial operational services segment decreased by approximately 9.1% year-on-year to approximately RMB749.4 million from approximately RMB824.2 million for the corresponding period in 2025. Such decrease was primarily due to the continuous strategic contraction of the public property services business, combined with the failure to renew certain expiring property management service agreements as a result of intense market competition during the six months ended 30 June 2026.

The table below sets forth a breakdown of the Group's total revenue generated from non-residential property management and commercial operational services for the periods indicated by regions:

|                                         | Six months ended 30 June |       |         |       |
|-----------------------------------------|--------------------------|-------|---------|-------|
|                                         | 2026                     |       | 2025    |       |
|                                         | RMB'000                  | %     | RMB'000 | %     |
| Greater Bay Area                        | 237,001                  | 31.6  | 308,170 | 37.4  |
| Yangtze River Delta <sup>(1)</sup>      | 281,163                  | 37.5  | 270,102 | 32.8  |
| Midwest China and Hainan <sup>(2)</sup> | 93,957                   | 12.5  | 111,412 | 13.5  |
| Bohai Economic Rim <sup>(3)</sup>       | 137,251                  | 18.4  | 134,492 | 16.3  |
| Total                                   | 749,372                  | 100.0 | 824,176 | 100.0 |

Notes:

- (1) Include Shanghai, Zhejiang Province, Anhui Province and Jiangsu Province.
- (2) Include Sichuan Province, Chongqing, Hubei Province, Hunan Province, Henan Province, Inner Mongolia Autonomous Region, Shaanxi Province, Jiangxi Province, Yunnan Province, Guizhou Province, Guangxi Zhuang Autonomous Region and Hainan Province.
- (3) Include Beijing, Tianjin, Shandong Province and Liaoning Province.

## MANAGEMENT DISCUSSION AND ANALYSIS

## Financial Review

### Revenue

The Group derived its revenue from two business segments, namely the residential property management service segment and non-residential property management and commercial operational service segment.

The table below sets forth the breakdown of revenue of the Group by business segments for the periods indicated:

|                                                                         | Six months ended 30 June |       |           |       |
|-------------------------------------------------------------------------|--------------------------|-------|-----------|-------|
|                                                                         | 2026                     |       | 2025      |       |
|                                                                         | RMB'000                  | %     | RMB'000   | %     |
| Residential property management services                                | 820,816                  | 52.3  | 833,961   | 50.3  |
| Non-residential property management and commercial operational services | 749,372                  | 47.7  | 824,176   | 49.7  |
| Total                                                                   | 1,570,188                | 100.0 | 1,658,137 | 100.0 |

### Residential Property Management Services

The following table sets forth a breakdown of the Group's revenue from residential property management services by service line for the periods indicated:

|                                | Six months ended 30 June |       |         |       |
|--------------------------------|--------------------------|-------|---------|-------|
|                                | 2026                     |       | 2025    |       |
|                                | RMB'000                  | %     | RMB'000 | %     |
| Pre-sale management services   | 20,125                   | 2.5   | 34,875  | 4.2   |
| Property management services   | 726,898                  | 88.5  | 725,983 | 87.0  |
| Community value-added services | 73,793                   | 9.0   | 73,103  | 8.8   |
| Total                          | 820,816                  | 100.0 | 833,961 | 100.0 |

## MANAGEMENT DISCUSSION AND ANALYSIS

*Pre-sale Management Services*

Revenue generated from pre-sale management services under the Group's residential property management service segment decreased from approximately RMB34.9 million for the six months ended 30 June 2025 to approximately RMB20.1 million for the six months ended 30 June 2026. Such decrease was primarily due to the decrease in the number of sales offices of residential properties under the Group's management during the six months ended 30 June 2026.

*Property Management Services*

Revenue generated from property management services under the Group's residential property management service segment slightly increased from approximately RMB726.0 million for the six months ended 30 June 2025 to approximately RMB726.9 million for the six months ended 30 June 2026. Such increase was primarily due to the combined effect of an increase in the Group's gross floor area under management for residential properties and a reduction in unit prices of property management fee for certain existing projects under management.

*Community Value-added Services*

Revenue generated from community value-added services under the Group's residential property management service segment slightly increased from approximately RMB73.1 million for the six months ended 30 June 2025 to approximately RMB73.8 million for the six months ended 30 June 2026.

*Non-residential Property Management and Commercial Operational Services*

The following table sets forth a breakdown of the Group's revenue from non-residential property management and commercial operational services by service line for the periods indicated:

|                                 | Six months ended 30 June |       |         |       |
|---------------------------------|--------------------------|-------|---------|-------|
|                                 | 2026                     |       | 2025    |       |
|                                 | RMB'000                  | %     | RMB'000 | %     |
| Pre-sale management services    | 2,429                    | 0.3   | 5,093   | 0.6   |
| Property management services    | 680,222                  | 90.8  | 748,674 | 90.8  |
| Commercial operational services | 26,006                   | 3.5   | 25,183  | 3.1   |
| Other value-added services      | 40,715                   | 5.4   | 45,226  | 5.5   |
| Total                           | 749,372                  | 100.0 | 824,176 | 100.0 |

## MANAGEMENT DISCUSSION AND ANALYSIS

***Pre-sale Management Services***

Revenue generated from pre-sale management services under the Group's non-residential property management and commercial operational service segment decreased from approximately RMB5.1 million for the six months ended 30 June 2025 to approximately RMB2.4 million for the six months ended 30 June 2026. Such decrease was primarily due to the decrease in the number of sales offices of non-residential properties under the Group's management during the six months ended 30 June 2026.

***Property Management Services***

Revenue generated from property management services under the Group's non-residential property management and commercial operational service segment decreased from approximately RMB748.7 million for the six months ended 30 June 2025 to approximately RMB680.2 million for the six months ended 30 June 2026. Such decrease was primarily due to the continuous strategic contraction of the public property services business, combined with the failure to renew certain expiring property management service agreements as a result of intense market competition during the six months ended 30 June 2026.

***Commercial Operational Services***

Revenue generated from commercial operational services under the Group's non-residential property management and commercial operational service segment slightly increased from approximately RMB25.2 million for the six months ended 30 June 2025 to approximately RMB26.0 million for the six months ended 30 June 2026.

***Other Value-added Services***

Revenue generated from other value-added services under the Group's non-residential property management and commercial operational service segment decreased from approximately RMB45.2 million for the six months ended 30 June 2025 to approximately RMB40.7 million for the six months ended 30 June 2026. Such decrease was primarily due to the weak macroeconomic environment, leading to a decrease in customers' demand for value-added services.

***Cost of Sales***

The Group's cost of sales represents costs and expenses directly attributable to the provision of its services, which comprises (i) labour costs; (ii) subcontracting costs; (iii) utilities costs; (iv) office expenses; (v) cleaning expenses; (vi) rent and management fees for staff dormitory and car parks; (vii) security expenses; and (viii) others. For the six months ended 30 June 2026, the total cost of sales of the Group was approximately RMB1,218.5 million, which decreased by approximately RMB20.8 million or 1.7% as compared to approximately RMB1,239.3 million for the corresponding period in 2025. The cost reduction was smaller than the revenue decline, which was mainly because the Group reduced unit prices of property management fee for certain projects under management and increased cost to further improve service quality during the six months ended 30 June 2026, in order to maintain the Group's market competitiveness.

***Gross Profit and Gross Profit Margin***

The gross profit of the Group decreased by approximately RMB67.1 million or 16.0% to approximately RMB351.7 million for the six months ended 30 June 2026 from approximately RMB418.8 million for the six months ended 30 June 2025. The Group reported gross profit margin of approximately 22.4% for the six months ended 30 June 2026 (for the six months ended 30 June 2025: approximately 25.3%).

***Other Income and Gains***

The other income and gains of the Group decreased by approximately RMB1.6 million or 21.3% to approximately RMB5.9 million for the six months ended 30 June 2026 from approximately RMB7.5 million for the six months ended 30 June 2025, and mainly comprised government grants, late penalty income and tax incentives on value-added tax of approximately RMB1.8 million, RMB1.4 million and RMB1.4 million, respectively.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Administrative Expenses

Administrative expenses mainly consist of (i) salaries and allowances for the Group's administrative and management personnel; (ii) depreciation and amortisation costs; and (iii) office expenses. For the six months ended 30 June 2026, the administrative expenses of the Group were approximately RMB193.0 million, which decreased by approximately RMB13.7 million or 6.6% as compared to approximately RMB206.7 million for the corresponding period in 2025. Such decrease was primarily due to certain other intangible assets arising from acquisition of subsidiaries in previous year had been fully amortised or impaired in 2025. In addition, the decrease in administrative expenses also reflected the Group's continuous improvement in management efficiency.

### Other Expenses, Net

For the six months ended 30 June 2026, the other expenses of the Group was approximately RMB287.1 million, representing a decrease of 22.5% from approximately RMB370.3 million for the six months ended 30 June 2025 and mainly comprised impairment losses on trade receivables of approximately RMB194.2 million and impairment losses on goodwill of approximately RMB76.3 million. After taking into consideration of the credit risk and market environment, the Group recorded appropriate impairment provisions for trade receivables in view of the slow pace of recovery of trade receivables for the six months ended 30 June 2026. In addition, the impairment loss on goodwill recognised by the Group primarily stemmed from intense market competition, resulting in the non-renewal of certain contracts by subsidiaries acquired in previous years and the expansion of new customer base falling short of expectations. The decrease in other expenses was primarily due to the decreases in impairment losses on trade receivables, goodwill and property, plant and equipment of the Group of approximately RMB43.0 million, RMB8.1 million and RMB28.8 million, respectively.

### Income Tax Expenses

For the six months ended 30 June 2026, the income tax expenses of the Group were approximately RMB23.1 million, which decreased by approximately RMB89.3 million or 79.4% as compared to approximately RMB112.4 million for the corresponding period in 2025. Such decrease was primarily due to the reduction in the derecognition of previously recognised deferred tax assets for certain subsidiaries, from approximately RMB94.4 million for the six months ended 30 June 2025 to approximately RMB1.2 million for the six months ended 30 June 2026. Based on the current challenging market environment and the existing operational arrangements, the Group expects that such subsidiaries will not have sufficient taxable profits in future periods to utilise the benefits of the deductible temporary differences.

### Net Loss

As a result of the foregoing, the Group recorded a net loss of approximately RMB155.0 million for the six months ended 30 June 2026 (for the six months ended 30 June 2025: approximately RMB276.6 million).

## Financial Position and Capital Structure

### Total Assets, Total Liabilities and Current Ratio

As at 30 June 2026, the total assets of the Group was approximately RMB5,800.9 million (as at 31 December 2025: approximately RMB5,976.0 million), and the total liabilities was approximately RMB3,199.9 million (as at 31 December 2025: approximately RMB3,182.6 million). As at 30 June 2026, the current ratio of the Group was 1.63 (as at 31 December 2025: 1.67).

## MANAGEMENT DISCUSSION AND ANALYSIS

**Cash and Cash Equivalents**

As at 30 June 2026, the Group's cash and cash equivalents amounted to approximately RMB992.2 million, representing a decrease of approximately 18.6% as compared with approximately RMB1,219.2 million as at 31 December 2025. All of the Group's cash and cash equivalents were denominated in RMB except for approximately RMB0.1 million which were denominated in Hong Kong dollars ("HK\$") and United States dollars.

**Borrowings and Charges on the Group's Assets**

As at 30 June 2026, the Group's total borrowings were approximately RMB373.7 million. Among which, approximately RMB86.0 million will be repayable within 1 year and approximately RMB287.7 million will be repayable between 2 and 3 years. The Group's bank and other borrowings were secured by trade receivables, other receivables and property, plant and equipment of the Group with total carrying value of approximately RMB16.6 million, and equity interest of a subsidiary of the Group. The carrying amounts of all the Group's bank and other borrowings were denominated in RMB. All of the Group's bank and other borrowings were charged at floating interest rates except for loan balance of approximately RMB6.0 million which were charged at fixed interest rates of 6.82% per annum as at 30 June 2026.

**Trade Receivables**

The Group's trade receivables mainly represent receivables from residential property management services and non-residential property management and commercial operational services. The Group's trade receivables as at 30 June 2026 amounted to approximately RMB2,818.4 million, representing an increase of approximately RMB76.1 million or 2.8% as compared to approximately RMB2,742.3 million as at 31 December 2025. Due to the lack of improvement in the external environment during the six months ended 30 June 2026, the pace of recovery of trade receivables continued to be slow. At the same time, the Group had made appropriate impairment provisions during the six months ended 30 June 2026.

**Trade Payables**

The Group's trade payables as at 30 June 2026 amounted to approximately RMB777.7 million, representing an increase of approximately RMB93.0 million or 13.6% as compared to approximately RMB684.7 million as at 31 December 2025. In order to improve the efficiency of working capital, the Group actively negotiated with certain third-party suppliers to extend the term of payment, resulting in an increase in trade payables as at 30 June 2026.

**Gearing Ratio**

Gearing ratio is calculated by the net debt (total debt net of cash and cash equivalents and restricted cash) divided by total equity. As the Group was in a net cash position as at 30 June 2026 and 31 December 2025, the gearing ratio was not applicable to the Group.

**Contingent Liabilities**

As at 30 June 2026 and 31 December 2025, the Group did not have any material contingent liabilities.

**Foreign Exchange Risk**

The Group mainly operates in the PRC and most of its operations are denominated in RMB. The Group will closely monitor the fluctuations of the RMB exchange rate and give prudent consideration as to entering into currency swap arrangement as and when appropriate for hedging corresponding risks. During the first half of 2026, the Group had not engaged in hedging activities for managing foreign exchange rate risk.

## OTHER INFORMATION

### Interests of Directors and Chief Executive

As at 30 June 2026, the interests and short positions of the directors (the “**Director(s)**”) or chief executive of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (“**SFO**”)) which were required to be (i) entered in the register kept by the Company pursuant to Section 352 of the SFO; or (ii) otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) (the “**Model Code**”), were as follows:

### Long Positions in the Shares and Underlying Shares

| Name                | Number of Shares held                 |                                                           |                            | Total         | % of the issued voting Shares <sup>(1)</sup> |
|---------------------|---------------------------------------|-----------------------------------------------------------|----------------------------|---------------|----------------------------------------------|
|                     | Personal interests (beneficial owner) | Corporate interests (interests of Controlled corporation) | Other interests            |               |                                              |
| Executive Directors |                                       |                                                           |                            |               |                                              |
| — KONG Jianmin      | 2,300,000                             | 849,718,661 <sup>(2)</sup>                                | 219,635,885 <sup>(4)</sup> | 1,071,654,546 | 52.90                                        |
| — KONG Jiannan      | —                                     | 81,827,772 <sup>(3)</sup>                                 | 988,977,774 <sup>(4)</sup> | 1,070,805,546 | 52.86                                        |

Notes:

- (1) The approximate percentage was calculated based on the total number of issued Shares (i.e. 2,025,858,916 Shares) as at 30 June 2026.
- (2) Plus Earn Consultants Limited (“**Plus Earn**”) and Hero Fine Group Limited (“**Hero Fine**”) are wholly-owned and controlled by Mr. KONG Jianmin. By virtue of the SFO, Mr. KONG Jianmin is deemed to be interested in the Shares in which Plus Earn and Hero Fine are interested.
- (3) Peace Kind Investments Limited (“**Peace Kind**”) and Expert Vision International Limited (“**Expert Vision**”) are wholly-owned and controlled by Mr. KONG Jiannan. By virtue of the SFO, Mr. KONG Jiannan is deemed to be interested in the Shares in which Peace Kind and Expert Vision are interested.
- (4) On 14 October 2020, Plus Earn, Hero Fine, Right Rich Consultants Limited (“**Right Rich**”), Excel Wave Investments Limited (“**Excel Wave**”), Wealth Express Investments Limited (“**Wealth Express**”) and Peace Kind entered into a shareholders’ agreement (the “**Shareholders’ Agreement**”), pursuant to which, among other things, the parties thereto shall vote at general meetings of the Company according to the instruction of whichever party thereto holds the most Shares from time to time. As such, by virtue of the SFO, each of Mr. KONG Jianmin and Mr. KONG Jiannan is deemed to be interested in the total number of Shares directly held by Plus Earn, Hero Fine, Right Rich, Excel Wave, Wealth Express and Peace Kind.

### Long Position in the Shares of Associated Corporation of the Company

| Name of Director | Name of associated corporation | Capacity         | Number of shares held | % of the issued voting shares |
|------------------|--------------------------------|------------------|-----------------------|-------------------------------|
| KONG Jianmin     | Plus Earn                      | Beneficial owner | 1,000                 | 100                           |

## OTHER INFORMATION

Save as disclosed above, as at 30 June 2026, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) entered in the register kept by the Company pursuant to Section 352 of the SFO; or (ii) otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## Share Option Scheme

The Company has adopted a share option scheme (the “**Share Option Scheme**”), which was approved by the shareholders of the Company (the “**Shareholders**”) by passing an ordinary resolution at the annual general meeting of the Company held on 3 June 2021.

The number of Shares in respect of which options (“**Option(s)**”) are available for grant under the Share Option Scheme as at 1 January 2026 and 30 June 2026 were 201,551,523 and 201,740,523, respectively.

During the six months ended 30 June 2026, no Options were granted under the Share Option Scheme. Therefore, the number of shares that may be issued in respect of options granted under the Share Option Scheme during the six months ended 30 June 2026 divided by the weighted average number of shares for this period is not applicable.

Particulars of the outstanding Options granted to certain eligible participants (“**SO Grantees**”) in prior years and their movements during the six months ended 30 June 2026 are as follows:

| Categories of SO Grantees | Date of grant | Exercise price per Share (HK\$) | Exercise period <sup>(1)</sup> | Number of Options            |                           |                             |                             |                          | Closing price per Share <sup>(2)</sup> (HK\$) |                            |
|---------------------------|---------------|---------------------------------|--------------------------------|------------------------------|---------------------------|-----------------------------|-----------------------------|--------------------------|-----------------------------------------------|----------------------------|
|                           |               |                                 |                                | Balance as at 1 January 2026 | Granted during the period | Exercised during the period | Cancelled during the period | Lapsed during the period |                                               | Balance as at 30 June 2026 |
| Employees                 | 23 July 2021  | 8.964                           | 15 April 2022 to 14 April 2026 | 189,000                      | —                         | —                           | —                           | 189,000                  | —                                             | 8.78                       |
| Total                     |               |                                 |                                | 189,000                      | —                         | —                           | —                           | 189,000                  | —                                             |                            |

Notes:

- (1) Subject to the vesting conditions (namely, the net profit of the Group for the financial year 2021 achieved its expected target amount set in early 2021) being met, the vesting period of the Options granted was as follows: up to 25% of the Options granted should become exercisable from 15 April 2022, up to 50% of the Options granted should become exercisable from 15 April 2023; and 100% of the Options granted should become exercisable from 15 April 2024. If any of such days falls on a Saturday, a Sunday or a public holiday, then the next business day following it.
- (2) This represented the closing price of the Shares immediately before the date on which the Options were granted.
- (3) These Options granted are not subject to any other exercising conditions nor any performance targets.

## OTHER INFORMATION

The following inputs were used to calculate the fair values of the Options granted:

|                                               | Options granted on<br>23 July 2021 |
|-----------------------------------------------|------------------------------------|
| Dividend yield (%)                            | 1.16                               |
| Expected volatility (%)                       | 60.22                              |
| Risk-free interest rate (%)                   | 0.35                               |
| Expected life of Options (year)               | 4                                  |
| Weighted average Share price (HK\$ per Share) | 8.964                              |

HK\$1.00 is payable for acceptance of grant of Options by each grantee. The fair value of the Options granted on 23 July 2021 determined at the date of grant using the binomial models (the **"Binomial Models"**) was approximately RMB1,968,000.

The Binomial Models have been used to estimate the fair value of the Options. The variables and assumptions used in computing the fair value of the Options are based on the directors' best estimate. Changes in variables and assumptions may result in changes in the fair value of the Options.

The fair value of the Options determined at the grant date is recognised in "administrative expenses" in the condensed consolidated statement of profit or loss on a straight-line basis over the vesting period based on the Group's estimate of the number of equity instruments that will eventually vest.

## Share Award Scheme

The Company has adopted a share award scheme (the **"Share Award Scheme"**), which was approved by the board of the Directors (the **"Board"**) at the Board meeting held on 23 July 2021. A summary of the Share Award Scheme was set out in the announcement of the Company dated 23 July 2021 headed "Adoption of Share Award Scheme and Grant of Awarded Shares".

The number of awarded Shares (the **"Awarded Share(s)"**) available for grant under the Share Award Scheme as at 1 January 2026 and 30 June 2026 was 99,985,011. No consideration or vesting price is payable by the selected participants upon acceptance or vesting of the Awarded Shares.

During the six months ended 30 June 2026, no Awarded Shares were granted, vested, lapsed or outstanding under the Share Award Scheme. Therefore, the number of shares that may be issued in respect of awards granted under the Share Award Scheme during the six months ended 30 June 2026 divided by the weighted average number of shares for this period is not applicable.

## OTHER INFORMATION

## Interests of Substantial Shareholders and Other Persons

As at 30 June 2026, so far as the Directors or chief executive of the Company were aware of, persons (other than Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, were as follows:

## Long Positions in the Shares

| Name of substantial Shareholder | Number of Shares held                 |                                                           |                              | Total         | % of the issued voting Shares <sup>(1)</sup> |
|---------------------------------|---------------------------------------|-----------------------------------------------------------|------------------------------|---------------|----------------------------------------------|
|                                 | Personal interests (beneficial owner) | Corporate interests (interests of controlled corporation) | Other interests              |               |                                              |
| Plus Earn <sup>(4)</sup>        | 678,390,949                           | —                                                         | 390,963,597 <sup>(3)</sup>   | 1,069,354,546 | 52.79                                        |
| Hero Fine <sup>(4)</sup>        | 171,327,712                           | —                                                         | 898,026,834 <sup>(3)</sup>   | 1,069,354,546 | 52.79                                        |
| Peace Kind <sup>(4)</sup>       | 80,376,772                            | —                                                         | 988,977,774 <sup>(3)</sup>   | 1,069,354,546 | 52.79                                        |
| KONG Jiantao                    | —                                     | 139,259,113 <sup>(2)</sup>                                | 930,095,433 <sup>(3)</sup>   | 1,069,354,546 | 52.79                                        |
| Right Rich                      | 136,017,833                           | —                                                         | 933,336,713 <sup>(3)</sup>   | 1,069,354,546 | 52.79                                        |
| Excel Wave                      | 2,729,450                             | —                                                         | 1,066,625,096 <sup>(3)</sup> | 1,069,354,546 | 52.79                                        |
| Wealth Express                  | 511,830                               | —                                                         | 1,068,842,716 <sup>(3)</sup> | 1,069,354,546 | 52.79                                        |

Notes:

- (1) The approximate percentage was calculated based on the total number of issued Shares (i.e. 2,025,858,916 Shares) as at 30 June 2026.
- (2) Right Rich, Excel Wave and Wealth Express are wholly-owned and controlled by Mr. KONG Jiantao. By virtue of the SFO, Mr. KONG Jiantao is deemed to be interested in the Shares in which Right Rich, Excel Wave and Wealth Express are interested.
- (3) On 14 October 2020, Plus Earn, Hero Fine, Right Rich, Excel Wave, Wealth Express and Peace Kind entered into the Shareholders' Agreement, pursuant to which, among other things, the parties thereto shall vote at general meetings of the Company according to the instruction of whichever party thereto holds the most Shares from time to time. As such, by virtue of the SFO, each of Plus Earn, Hero Fine, Right Rich, Excel Wave, Wealth Express, Peace Kind, Mr. KONG Jianmin, Mr. KONG Jiantao and Mr. KONG Jiannan is deemed to be interested in the total number of Shares directly held by Plus Earn, Hero Fine, Right Rich, Excel Wave, Wealth Express and Peace Kind.
- (4) Mr. KONG Jianmin (a Non-executive Director) is the sole director of Plus Earn and Hero Fine, and Mr. KONG Jiannan (an Executive Director) is the sole director of Peace Kind.

Save as disclosed above, as at 30 June 2026, the Directors were not aware of any interests or short positions owned by any persons (other than the Directors or chief executive of the Company) in the Shares or underlying Shares which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

## Interim Dividend

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

## OTHER INFORMATION

### Corporate Governance

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. During the six months ended 30 June 2026, 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 to Appendix C1 (the “**CG Code**”) to the Listing Rules, save for the deviations for reasons set out below. The Company will continue to review and monitor its corporate governance practices to ensure the compliance with the CG Code.

Code provision F.1.1 of Part 2 of the CG Code stipulates that independent non-executive directors and other non-executive directors should attend general meetings and code provision F.1.3 of Part 2 of the CG Code stipulates that the chairman of the board should attend the annual general meeting. Mr. KONG Jianmin, a non-executive Director and the chairman of the Board, was unable to attend the annual general meeting of the Company convened and held on 3 June 2026 due to his other business engagements. In the absence of Mr. KONG Jianmin from the annual general meeting, Mr. KONG Jiannan, an executive Director, acted as the chairman of the annual general meeting to ensure an effective communication with the Shareholders. Mr. KONG Jianmin has also followed up with Mr. KONG Jiannan for any opinions or concerns of the Shareholders expressed at the annual general meeting afterwards.

### Updated Information on Directors of the Company pursuant to Rule 13.51B(1) of the Listing Rules

Save for the change in the information of Directors as set out below, since the date of the Company’s 2025 annual report and up to the date of this interim report, there is no other change in the information of Directors which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules:

Mr. FUNG Che Wai, Anthony was appointed as an independent non-executive director of Deepexi Technology Co., Ltd. (Stock Code: 01384) with effect from 10 August 2026.

### Model Code for Securities Transactions

The Company has adopted the Model Code as its own code of conduct regarding Directors’ securities transactions. In response to the specific enquiry made by the Company, all Directors have confirmed that they have complied with the Model Code during the six months ended 30 June 2026. In addition, the Company is not aware of any non-compliance of the Model Code by senior management of the Group during the six months ended 30 June 2026.

### Purchase, Sale or Redemption of Listed Securities

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, as defined under the Listing Rules) during the six months ended 30 June 2026. As at 30 June 2026, the Company did not hold any treasury shares.

## OTHER INFORMATION

## Audit Committee

The audit committee of the Company (the “**Audit Committee**”) comprises three members who are independent non-executive Directors.

The Audit Committee has reviewed the 2026 interim report.

## Employees and Remuneration Policy

As at 30 June 2026, the Group had 10,409 employees (as at 31 December 2025: 12,244 employees). Compensation for employees of the Group is made with reference to the market as well as individual performance and contributions, and extensive use of bonuses to link performance with reward is adopted. For the six months ended 30 June 2026, employee benefit expenses amounted to approximately RMB541.0 million (for the six months ended 30 June 2025: approximately RMB613.1 million). The Group reviews the remuneration policies and packages on a regular basis and makes necessary adjustments that accommodate the pay levels in the industry. In addition to basic salaries, the Group also provides comprehensive benefit packages and career development opportunities, including performance-based bonus payments, share options, share awards, retirement schemes, medical benefits, and both internal and external training appropriate to individual needs.

## Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures, and Future Plans for Material Investments or Capital Assets

During the six months ended 30 June 2026, there were no significant investments held, no material acquisitions or disposals of subsidiaries, associates and joint ventures by the Group, nor was there any plan authorised by the Board for other material investments or additions of capital assets as at the date of this interim report.

## Update on Certain Acquisitions in Prior Years

### (a) Acquisition of Living Technology

Reference is made to the announcement of the Company dated 18 January 2021, in relation to the acquisition of 80% of the equity interest in Living Technology Co., Ltd. (formerly known as Cedar Technology Group Co., Ltd.), (“**Living Technology**”) by the Group. Pursuant to the acquisition agreement, Living Technology’s audited net profit (the “**Audited Net Profit**”) for the financial years ended 31 December 2021 and 2022 should increase by not less than 5% as compared to that of the immediate preceding financial year, and the Company should recognise receivables from or payables to the vendor based on the shortfall or excess of the guaranteed net profit of Living Technology. It was also agreed in the acquisition agreement that such Audited Net Profit for each relevant period shall be determined by qualified auditors within three (3) months after the end of 31 December 2021 and 2022, respectively. As at the end of the reporting period, the Audited Net Profit for the year ended 31 December 2021 has been determined without any dispute. For the Audited Net Profit for the year ended 31 December 2022, since the beginning of 2023, the Group has commenced the audit work of Living Technology and has been in active negotiation with the original vendor to the acquisition of Living Technology (the “**Vendor**”). However, the parties have not reached consensus on the recoverability of the outstanding property management fees due from third party landlords and the relevant guarantors (as landlords) (the “**Receivables**”). In the event that Living Technology is unable to recover the Receivables, Living Technology shall make provision for impairment of the Receivables (the “**Impairment**”), which will in turn adversely affect the Audited Net Profit for the year ended 31 December 2022 and may trigger compensation mechanism under the relevant financial guarantees.

## OTHER INFORMATION

To keep track of the recovery progress of the Receivables, since the second half of 2023, the Group has (among others) sent legal letters to the relevant landlords and arranged professional debt collection teams to collect payments. However, the Group considers that the recovery rate is not satisfactory. The Company believes that, having considered the fact that certain customers of Living Technology are already in serious debt crisis and legal disputes and most of the Receivables have aged 3 years or more, Living Technology should separately set aside a large proportion of Impairment for this part of the Receivables. This will result in Living Technology being unable to achieve the guaranteed net profit and would trigger the compensation mechanism. As the parties were unable to reach a consensus on the appropriate Impairment to be made to the Receivables (and hence, whether the guaranteed profit could be fulfilled), Guangdong Hejing Youhuo Holdings Group Co., Ltd., a wholly-owned subsidiary of the Group, engaged in litigation proceedings with the Vendor regarding the guaranteed net profit of Living Technology for the year ended 31 December 2022. According to the latest outcome of such litigations, the court determined that Living Technology failed to meet the performance requirements stipulated in the valuation adjustment mechanism, with specific amount of compensation yet to be further finalised and the relevant profit specific audit procedures currently in progress.

The Company will make further announcement(s) as and when appropriate to inform the Shareholders and potential investors in relation to Living Technology pursuant to the Listing Rules when the amount of compensation in respect of Living Technology is finalised.

**(b) Acquisition of Guangdong Telijie**

Reference is made to the announcement of the Company dated 10 January 2022 in relation to the acquisition of 50% of the equity interest in Guangdong Telijie Environment Engineering Co., Ltd. ("**Guangdong Telijie**") by the Group. Pursuant to the acquisition agreement, Guangdong Telijie must achieve certain guaranteed revenue and guaranteed net profits for the financial years ended 31 December 2022, 2023 and 2024, and the Company shall recognise an amount due from or to the vendors based on the shortfall or excess of the audited guaranteed net profit. As of 30 June 2026, the audited reports of Guangdong Telijie for each of the two years ended 31 December 2022 and 2023 are available, whereas the audited report for the year ended 31 December 2024 is not available yet. As at 31 December 2024, based on the unaudited management accounts of Guangdong Telijie, the Company has made a provision of approximately RMB96.5 million in compensation receivable from the vendors for the shortfall in the guaranteed net profits of Guangdong Telijie.

Reference is made to the announcement of the Company dated 12 January 2026 (the "**2026 Announcement**") . As disclosed in the 2026 Announcement, the audited report for the year ended 31 December 2024 has not yet been finalised and issued, as the actual recovery situation of account receivables needs to be considered. During the six months ended 30 June 2026, the Company has maintained close communication with the vendors and followed up on the recovery progress of the account receivables.

The Company will make further announcement(s) as and when appropriate to inform the Shareholders and potential investors in relation to Guangdong Telijie pursuant to the Listing Rules.

## OTHER INFORMATION

## Use of Net Proceeds from the Listing

The shares of the Company were listed on the Main Board of the Stock Exchange on 30 October 2020 by way of Global Offering (as defined in the prospectus of the Company dated 19 October 2020, the “**Prospectus**”), raising the total net proceeds (after deducting professional fees, underwriting commissions and other related listing expenses) of approximately HK\$2,913.1 million (the “**Net Proceeds**”). For details of the original proposed allocation of the Net Proceeds, please refer to the section headed “Future Plans and Use of Proceeds — Use of Proceeds” in the Prospectus.

On 29 June 2021, the Group resolved to revise the allocation of the Net Proceeds. Details of the re-allocation are set out in the Company’s announcement dated 29 June 2021.

On 10 January 2022, the Board resolved to further adjust the allocation proportion of the Net Proceeds as set out in the announcement of the Company dated 10 January 2022 (the “**2022 Announcement**”).

An analysis of the utilisation of the Net Proceeds during the six months ended 30 June 2026 is as follows:

| Use of the Net Proceeds as set out in the 2022 Announcement                                            | Revised allocation as stated in the 2022 Announcement<br>HK\$ million | Unutilised or unplanned Net Proceeds as at 1 January 2026<br>HK\$ million | Utilised or planned Net Proceeds during the six months ended 30 June 2026<br>HK\$ million | Unutilised or unplanned Net Proceeds as at 30 June 2026<br>HK\$ million |
|--------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|---------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| To pursue strategic acquisitions and investment opportunities                                          | 2,703.4                                                               | —                                                                         | —                                                                                         | —                                                                       |
| To upgrade the intelligent service systems:                                                            |                                                                       |                                                                           |                                                                                           |                                                                         |
| — to purchase and upgrade hardware, establish smart terminal equipment and Internet of Things Platform | 84.2                                                                  | 69.0                                                                      | 1.5                                                                                       | 67.5                                                                    |
| — to develop and upgrade the intelligence service systems                                              | 36.4                                                                  | —                                                                         | —                                                                                         | —                                                                       |
| Diversification into value-added services:                                                             |                                                                       |                                                                           |                                                                                           |                                                                         |
| — to cooperate with companies that provide complementary community products and services               | 36.4                                                                  | 36.4                                                                      | —                                                                                         | 36.4                                                                    |
| For general corporate purposes and working capital                                                     | 52.7                                                                  | —                                                                         | —                                                                                         | —                                                                       |
| <b>Total</b>                                                                                           | <b>2,913.1</b>                                                        | <b>105.4</b>                                                              | <b>1.5</b>                                                                                | <b>103.9</b>                                                            |

## OTHER INFORMATION

Due to the current rapid iteration of hardware and smart terminal technologies and the weak economic recovery leading to lower-than-expected demand for value-added services, the Company has decided to further defer the relevant plans in order to utilise the Net Proceeds prudently. As of the date of this interim report, the Company expects that the unutilised or unplanned Net Proceeds will be fully utilised on or before 31 December 2027. However, the actual timing for utilising the Net Proceeds is subject to change.

## Significant Events after the Reporting Period

There were no significant events of the Group subsequent to 30 June 2026 and up to the date of this interim report.

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

|                                                                                    | Notes | Six months ended 30 June       |                                |
|------------------------------------------------------------------------------------|-------|--------------------------------|--------------------------------|
|                                                                                    |       | 2026<br>RMB'000<br>(Unaudited) | 2025<br>RMB'000<br>(Unaudited) |
| <b>REVENUE</b>                                                                     | 4     | 1,570,188                      | 1,658,137                      |
| Cost of sales                                                                      |       | (1,218,497)                    | (1,239,313)                    |
| <b>Gross profit</b>                                                                |       | 351,691                        | 418,824                        |
| Other income and gains                                                             | 4     | 5,870                          | 7,473                          |
| Selling and distribution expenses                                                  |       | (1,995)                        | (2,261)                        |
| Administrative expenses                                                            |       | (193,033)                      | (206,665)                      |
| Other expenses, net                                                                |       | (287,059)                      | (370,291)                      |
| Finance costs                                                                      | 6     | (6,926)                        | (11,082)                       |
| Share of profit and loss of:                                                       |       |                                |                                |
| Joint ventures                                                                     |       | (910)                          | (278)                          |
| Associates                                                                         |       | 392                            | 93                             |
| <b>LOSS BEFORE TAX</b>                                                             | 5     | (131,970)                      | (164,187)                      |
| Income tax expenses                                                                | 7     | (23,061)                       | (112,439)                      |
| <b>LOSS FOR THE PERIOD</b>                                                         |       | (155,031)                      | (276,626)                      |
| Attributable to:                                                                   |       |                                |                                |
| Owners of the parent                                                               |       | (152,357)                      | (268,121)                      |
| Non-controlling interests                                                          |       | (2,674)                        | (8,505)                        |
|                                                                                    |       | (155,031)                      | (276,626)                      |
| <b>LOSSES PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY<br/>HOLDERS OF THE PARENT:</b> |       |                                |                                |
| Basic (expressed in RMB cents per share)                                           | 9     | (7.52)                         | (13.23)                        |
| Diluted (expressed in RMB cents per share)                                         | 9     | (7.52)                         | (13.23)                        |

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

|                                                                                                             | Six months ended 30 June |                  |
|-------------------------------------------------------------------------------------------------------------|--------------------------|------------------|
|                                                                                                             | 2026                     | 2025             |
|                                                                                                             | RMB'000                  | RMB'000          |
|                                                                                                             | (Unaudited)              | (Unaudited)      |
| <b>LOSS FOR THE PERIOD</b>                                                                                  | <b>(155,031)</b>         | <b>(276,626)</b> |
| <b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>                                                                    |                          |                  |
| Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:         |                          |                  |
| Exchange differences on translation of foreign operations                                                   | 55,232                   | (58,304)         |
| Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods      | 55,232                   | (58,304)         |
| Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:    |                          |                  |
| Exchange differences on translation of the Company                                                          | (86,865)                 | 45,424           |
| Net other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods | (86,865)                 | 45,424           |
| <b>OTHER COMPREHENSIVE LOSS FOR THE PERIOD</b>                                                              | <b>(31,633)</b>          | <b>(12,880)</b>  |
| <b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>                                                              | <b>(186,664)</b>         | <b>(289,506)</b> |
| Attributable to:                                                                                            |                          |                  |
| Owners of the parent                                                                                        | (183,990)                | (281,001)        |
| Non-controlling interests                                                                                   | (2,674)                  | (8,505)          |
|                                                                                                             | <b>(186,664)</b>         | <b>(289,506)</b> |

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

|                                                 |       | As at                                  |                                          |
|-------------------------------------------------|-------|----------------------------------------|------------------------------------------|
|                                                 | Notes | 30 June 2026<br>RMB'000<br>(Unaudited) | 31 December 2025<br>RMB'000<br>(Audited) |
| <b>NON-CURRENT ASSETS</b>                       |       |                                        |                                          |
| Property, plant and equipment                   |       | 27,437                                 | 27,122                                   |
| Investment properties                           |       | 3,265                                  | 3,265                                    |
| Goodwill                                        | 10    | 553,793                                | 630,120                                  |
| Other intangible assets                         | 11    | 287,630                                | 317,867                                  |
| Investment in joint ventures                    |       | 28,620                                 | 29,530                                   |
| Investment in associates                        |       | 1,585                                  | 7,139                                    |
| Deferred tax assets                             |       | 260,766                                | 239,774                                  |
| Other non-current assets                        |       | 2,842                                  | 2,842                                    |
| Total non-current assets                        |       | 1,165,938                              | 1,257,659                                |
| <b>CURRENT ASSETS</b>                           |       |                                        |                                          |
| Trade receivables                               | 12    | 2,818,367                              | 2,742,282                                |
| Prepayments, other receivables and other assets |       | 755,794                                | 696,241                                  |
| Restricted cash                                 |       | 68,603                                 | 60,561                                   |
| Cash and cash equivalents                       |       | 992,212                                | 1,219,248                                |
| Total current assets                            |       | 4,634,976                              | 4,718,332                                |
| <b>CURRENT LIABILITIES</b>                      |       |                                        |                                          |
| Trade payables                                  | 13    | 777,695                                | 684,734                                  |
| Other payables and accruals                     |       | 1,152,348                              | 1,159,162                                |
| Contract liabilities                            | 4     | 279,946                                | 291,326                                  |
| Lease liabilities                               |       | 5,185                                  | 6,577                                    |
| Interest-bearing bank and other borrowings      | 14    | 85,962                                 | 140,357                                  |
| Tax payable                                     |       | 537,188                                | 542,455                                  |
| Total current liabilities                       |       | 2,838,324                              | 2,824,611                                |
| <b>NET CURRENT ASSETS</b>                       |       | 1,796,652                              | 1,893,721                                |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>    |       | 2,962,590                              | 3,151,380                                |

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

|                                             |       | As at                                  |                                          |
|---------------------------------------------|-------|----------------------------------------|------------------------------------------|
|                                             | Notes | 30 June 2026<br>RMB'000<br>(Unaudited) | 31 December 2025<br>RMB'000<br>(Audited) |
| <b>NON-CURRENT LIABILITIES</b>              |       |                                        |                                          |
| Lease liabilities                           |       | 3,916                                  | 6,027                                    |
| Interest-bearing bank and other borrowings  | 14    | 287,733                                | 273,975                                  |
| Deferred tax liabilities                    |       | 69,911                                 | 77,986                                   |
| Total non-current liabilities               |       | 361,560                                | 357,988                                  |
| <b>Net assets</b>                           |       | 2,601,030                              | 2,793,392                                |
| <b>EQUITY</b>                               |       |                                        |                                          |
| Share capital                               | 15    | 17,568                                 | 17,568                                   |
| Reserves                                    |       | 2,303,739                              | 2,487,134                                |
| Equity attributable to owners of the parent |       | 2,321,307                              | 2,504,702                                |
| Non-controlling interests                   |       | 279,723                                | 288,690                                  |
| <b>Total equity</b>                         |       | 2,601,030                              | 2,793,392                                |

**Kong Jiannan**  
Director

**Chen Wende**  
Director

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

|                                                                | Attributable to owners of the parent    |                                         |                                           |                                                                     |                                                   |                                            |                                            |                                 |                                                     |                                        |
|----------------------------------------------------------------|-----------------------------------------|-----------------------------------------|-------------------------------------------|---------------------------------------------------------------------|---------------------------------------------------|--------------------------------------------|--------------------------------------------|---------------------------------|-----------------------------------------------------|----------------------------------------|
|                                                                | Share capital<br>RMB'000<br>(Unaudited) | Share premium<br>RMB'000<br>(Unaudited) | Capital reserve<br>RMB'000<br>(Unaudited) | Employee share-based compensation reserve<br>RMB'000<br>(Unaudited) | Statutory surplus funds<br>RMB'000<br>(Unaudited) | Exchange reserve<br>RMB'000<br>(Unaudited) | Retained profits<br>RMB'000<br>(Unaudited) | Total<br>RMB'000<br>(Unaudited) | Non-controlling interests<br>RMB'000<br>(Unaudited) | Total equity<br>RMB'000<br>(Unaudited) |
| At 1 January 2026                                              | 17,568                                  | 2,189,462                               | (5,844)                                   | 7,647                                                               | 237,389                                           | (27,432)                                   | 85,912                                     | 2,504,702                       | 288,690                                             | 2,793,392                              |
| Loss for the period                                            | —                                       | —                                       | —                                         | —                                                                   | —                                                 | —                                          | (152,357)                                  | (152,357)                       | (2,674)                                             | (155,031)                              |
| Other comprehensive loss for the period:                       |                                         |                                         |                                           |                                                                     |                                                   |                                            |                                            |                                 |                                                     |                                        |
| Exchange differences on translation into presentation currency | —                                       | —                                       | —                                         | —                                                                   | —                                                 | (31,633)                                   | —                                          | (31,633)                        | —                                                   | (31,633)                               |
| Total comprehensive loss for the period                        | —                                       | —                                       | —                                         | —                                                                   | —                                                 | (31,633)                                   | (152,357)                                  | (183,990)                       | (2,674)                                             | (186,664)                              |
| Contribution from a shareholder                                | —                                       | —                                       | 595                                       | —                                                                   | —                                                 | —                                          | —                                          | 595                             | —                                                   | 595                                    |
| Dividends paid to non-controlling shareholders                 | —                                       | —                                       | —                                         | —                                                                   | —                                                 | —                                          | —                                          | —                               | (6,293)                                             | (6,293)                                |
| At 30 June 2026                                                | 17,568                                  | 2,189,462                               | (5,249)                                   | 7,647                                                               | 237,389                                           | (59,065)                                   | (66,445)                                   | 2,321,307                       | 279,723                                             | 2,601,030                              |
| At 1 January 2025                                              | 17,568                                  | 2,189,462                               | (7,033)                                   | 7,647                                                               | 222,758                                           | (6,293)                                    | 414,307                                    | 2,838,416                       | 303,695                                             | 3,142,111                              |
| Loss for the period                                            | —                                       | —                                       | —                                         | —                                                                   | —                                                 | —                                          | (268,121)                                  | (268,121)                       | (8,505)                                             | (276,626)                              |
| Other comprehensive loss for the period:                       |                                         |                                         |                                           |                                                                     |                                                   |                                            |                                            |                                 |                                                     |                                        |
| Exchange differences on translation into presentation currency | —                                       | —                                       | —                                         | —                                                                   | —                                                 | (12,880)                                   | —                                          | (12,880)                        | —                                                   | (12,880)                               |
| Total comprehensive loss for the period                        | —                                       | —                                       | —                                         | —                                                                   | —                                                 | (12,880)                                   | (268,121)                                  | (281,001)                       | (8,505)                                             | (289,506)                              |
| Contribution from a shareholder                                | —                                       | —                                       | 595                                       | —                                                                   | —                                                 | —                                          | —                                          | 595                             | —                                                   | 595                                    |
| Transfer to statutory surplus funds                            | —                                       | —                                       | —                                         | —                                                                   | 130                                               | —                                          | (130)                                      | —                               | —                                                   | —                                      |
| Dividends paid to non-controlling shareholders                 | —                                       | —                                       | —                                         | —                                                                   | —                                                 | —                                          | —                                          | —                               | (8,321)                                             | (8,321)                                |
| At 30 June 2025                                                | 17,568                                  | 2,189,462                               | (6,438)                                   | 7,647                                                               | 222,888                                           | (19,173)                                   | 146,056                                    | 2,558,010                       | 286,869                                             | 2,844,879                              |

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

|                                                                 |       | Six months ended 30 June |             |
|-----------------------------------------------------------------|-------|--------------------------|-------------|
|                                                                 |       | 2026                     | 2025        |
|                                                                 | Notes | RMB'000                  | RMB'000     |
|                                                                 |       | (Unaudited)              | (Unaudited) |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                     |       |                          |             |
| Loss before tax                                                 |       | (131,970)                | (164,187)   |
| Adjustments for:                                                |       |                          |             |
| Finance costs                                                   | 6     | 6,926                    | 11,082      |
| Share of profit and loss of:                                    |       |                          |             |
| Joint ventures                                                  |       | 910                      | 278         |
| Associates                                                      |       | (392)                    | (93)        |
| Interest income                                                 | 4     | (637)                    | (1,040)     |
| Income from wealth management financial products                |       | (145)                    | (45)        |
| Gain on disposal of items of property, plant and equipment, net | 5     | (467)                    | (80)        |
| Depreciation of property, plant and equipment                   | 5     | 5,715                    | 14,479      |
| Amortisation of other intangible assets                         | 5     | 31,599                   | 38,239      |
| Impairment losses on financial assets, net                      |       | 206,539                  | 251,785     |
| Impairment losses on goodwill                                   | 5     | 76,327                   | 84,450      |
| Impairment losses on property, plant and equipment              | 5     | —                        | 28,775      |
| Share-based payment expenses                                    |       | 595                      | 595         |
| Cash flows from operations before changes in working capital    |       | 195,000                  | 264,238     |
| Changes in working capital                                      |       | (289,300)                | (124,714)   |
| Cash (used in)/generated from operations                        |       | (94,300)                 | 139,524     |
| Interest received                                               |       | 637                      | 1,040       |
| Interest paid                                                   |       | (151)                    | (293)       |
| Income tax paid                                                 |       | (57,395)                 | (43,351)    |
| Net cash flows (used in)/generated from operating activities    |       | (151,209)                | 96,920      |

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

|                                                                                                        |      | Six months ended 30 June       |                                |
|--------------------------------------------------------------------------------------------------------|------|--------------------------------|--------------------------------|
|                                                                                                        | Note | 2026<br>RMB'000<br>(Unaudited) | 2025<br>RMB'000<br>(Unaudited) |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                                            |      |                                |                                |
| Purchase of items of property, plant and equipment                                                     | 11   | (1,309)                        | (2,761)                        |
| Purchase of other intangible assets                                                                    |      | (1,362)                        | (2,426)                        |
| Investment in a joint venture                                                                          |      | —                              | (20,000)                       |
| Purchase of wealth management financial products                                                       |      | (51,500)                       | (57,000)                       |
| Disposal of wealth management financial products                                                       |      | 51,500                         | 57,000                         |
| Income received from wealth management financial products                                              |      | 145                            | 45                             |
| Cash advances made to related parties                                                                  |      | (2,439)                        | (6,266)                        |
| Repayment from related parties                                                                         |      | 2,547                          | 6,657                          |
| Proceeds from disposal of items of property, plant and equipment                                       |      | 1,106                          | 3,221                          |
| Dividend received from an associate                                                                    |      | —                              | 1,162                          |
| Proceeds from disposal of an associate                                                                 |      | 5,201                          | —                              |
| Net cash flows generated from/(used in) investing activities                                           |      | 3,889                          | (20,368)                       |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                                            |      |                                |                                |
| Drawdown of bank and other borrowings                                                                  |      | 19,000                         | 11,000                         |
| Repayment of bank and other borrowings                                                                 |      | (59,637)                       | (68,103)                       |
| Principal portion of lease payments                                                                    |      | (3,702)                        | (5,027)                        |
| Dividends paid to non-controlling shareholders                                                         |      | (6,293)                        | (8,321)                        |
| Dividends paid                                                                                         |      | (22,285)                       | —                              |
| Interest paid                                                                                          |      | (6,775)                        | (10,789)                       |
| Net cash flows used in financing activities                                                            |      | (79,692)                       | (81,240)                       |
| <b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>                                                       |      |                                |                                |
| Cash and cash equivalents at beginning of the period                                                   |      | 1,219,248                      | 1,145,614                      |
| Effect of foreign exchange rate changes, net                                                           |      | (24)                           | (3)                            |
| <b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>                                                      |      | <b>992,212</b>                 | <b>1,140,923</b>               |
| <b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>                                                           |      |                                |                                |
| Cash and bank balances                                                                                 |      | 992,212                        | 1,140,923                      |
| Cash and cash equivalents as stated in the statement of financial position and statement of cash flows |      | 992,212                        | 1,140,923                      |

# NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 1. Corporate and Group Information

KWG Living Group Holdings Limited (the “**Company**”) is a limited liability company incorporated in the Cayman Islands on 11 September 2019. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company is an investment holding company. During the six months ended 30 June 2026, the Company and its subsidiaries (collectively the “**Group**”) were involved in the provision of residential property management services and non-residential property management and commercial operational services in the PRC.

In the opinion of the directors of the Company, the immediate and ultimate holding company of the Company was Plus Earn Consultants Limited, which was incorporated in the British Virgin Islands (“**BVI**”).

## 2.1 Basis of Presentation

The interim condensed financial information for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 *Interim Financial Reporting*.

The Interim 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, which have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards (“**HKFRSs**”), HKASs and Interpretations).

## 2.2 Adoption of Amendments to HKFRS

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 Standard for the first time for the current period’s financial information.

|                                                               |                                                                                  |
|---------------------------------------------------------------|----------------------------------------------------------------------------------|
| Amendments to HKFRS 9 and HKFRS 7                             | <i>Amendments to the Classification and Measurement of Financial Instruments</i> |
| Amendments to HKFRS 9 and HKFRS 7                             | <i>Contracts Referencing Nature-dependent Electricity</i>                        |
| Annual Improvements to HKFRS Accounting Standards — Volume 11 | <i>Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7</i>              |

The adoption of the above new and amended HKFRS Accounting Standards has had no significant financial effect on the financial information and reference of the Group.

## NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 3. Operating Segment Information

For management purposes, the Group is organised into two reportable operating segments as below:

- (a) Residential property management services; and
- (b) Non-residential property management and commercial operational services.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that interest income, finance costs, as well as head office and corporate income and expenses are excluded from such measurement.

The revenue from external customers reported to management is measured as segment revenue, which is the revenue derived from the customers in each segment.

No analysis of segment assets and segment liabilities is presented as this information is not regularly provided to the management for review.

The following is an analysis of the Group's revenue and results by operating and reportable segment:

#### Six months ended 30 June 2026

|                                        | Residential<br>property<br>management<br>services<br>RMB'000<br>(Unaudited) | Non-<br>residential<br>property<br>management<br>and<br>commercial<br>operational<br>services<br>RMB'000<br>(Unaudited) | Total<br>RMB'000<br>(Unaudited) |
|----------------------------------------|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|---------------------------------|
| <b>Segment revenue</b>                 | 820,816                                                                     | 749,372                                                                                                                 | 1,570,188                       |
| <b>Segment result</b>                  | 124,141                                                                     | 103,939                                                                                                                 | 228,080                         |
| <i>Reconciliation:</i>                 |                                                                             |                                                                                                                         |                                 |
| Interest income and unallocated income |                                                                             |                                                                                                                         | 5,870                           |
| Unallocated expenses                   |                                                                             |                                                                                                                         | (358,994)                       |
| Finance costs                          |                                                                             |                                                                                                                         | (6,926)                         |
| Loss before tax                        |                                                                             |                                                                                                                         | (131,970)                       |
| Income tax expenses                    |                                                                             |                                                                                                                         | (23,061)                        |
| Loss for the period                    |                                                                             |                                                                                                                         | (155,031)                       |

## NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 3. Operating Segment Information (Continued)

Six months ended 30 June 2025

|                                        | Residential<br>property<br>management<br>services<br>RMB'000<br>(Unaudited) | Non-residential<br>property<br>management<br>and<br>commercial<br>operational<br>services<br>RMB'000<br>(Unaudited) | Total<br>RMB'000<br>(Unaudited) |
|----------------------------------------|-----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|---------------------------------|
| Segment revenue                        | 833,961                                                                     | 824,176                                                                                                             | 1,658,137                       |
| Segment result                         | 167,143                                                                     | 101,795                                                                                                             | 268,938                         |
| <i>Reconciliation:</i>                 |                                                                             |                                                                                                                     |                                 |
| Interest income and unallocated income |                                                                             |                                                                                                                     | 7,473                           |
| Unallocated expenses                   |                                                                             |                                                                                                                     | (429,516)                       |
| Finance costs                          |                                                                             |                                                                                                                     | (11,082)                        |
| Loss before tax                        |                                                                             |                                                                                                                     | (164,187)                       |
| Income tax expenses                    |                                                                             |                                                                                                                     | (112,439)                       |
| Loss for the period                    |                                                                             |                                                                                                                     | (276,626)                       |

**Geographical information**

The Group's revenue from customers is derived solely from its operations and services rendered in Chinese Mainland, and the non-current assets of the Group are mainly located in Chinese Mainland.

**Information about major customers**

For the six months ended 30 June 2026 and 2025, approximately RMB118,845,000 and RMB135,765,000 of revenue were derived from KWG Group Holdings Limited ("**KWG Holdings**") and its subsidiaries, joint ventures and associates, respectively.

## NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 4. Revenue, Other Income and Gains and Contract Liabilities

## Revenue from contracts with customers

Revenue comprised proceeds from residential property management services and non-residential property management and commercial operational services for the six months ended 30 June 2026 and 2025. An analysis of revenue is as follows:

## (a) Disaggregated revenue information

|                                                                                    | Six months ended 30 June       |                                |
|------------------------------------------------------------------------------------|--------------------------------|--------------------------------|
|                                                                                    | 2026<br>RMB'000<br>(Unaudited) | 2025<br>RMB'000<br>(Unaudited) |
| <b>Types of services by segment</b>                                                |                                |                                |
| <i>Residential property management services</i>                                    |                                |                                |
| Pre-sale management services                                                       | 20,125                         | 34,875                         |
| Property management services                                                       | 726,898                        | 725,983                        |
| Community value-added services                                                     | 73,793                         | 73,103                         |
|                                                                                    | 820,816                        | 833,961                        |
| <i>Non-residential property management<br/>and commercial operational services</i> |                                |                                |
| Pre-sale management services                                                       | 2,429                          | 5,093                          |
| Property management services                                                       | 680,222                        | 748,674                        |
| Commercial operational services                                                    | 26,006                         | 25,183                         |
| Other value-added services                                                         | 40,715                         | 45,226                         |
|                                                                                    | 749,372                        | 824,176                        |
| Total revenue from contracts with customers                                        | 1,570,188                      | 1,658,137                      |

|                                                                     | Six months ended 30 June       |                                |
|---------------------------------------------------------------------|--------------------------------|--------------------------------|
|                                                                     | 2026<br>RMB'000<br>(Unaudited) | 2025<br>RMB'000<br>(Unaudited) |
| <b>Timing of revenue recognition</b>                                |                                |                                |
| Revenue from contracts with customers recognised over time          | 1,528,274                      | 1,590,221                      |
| Revenue from contracts with customers recognised at a point in time | 41,914                         | 67,916                         |
|                                                                     | 1,570,188                      | 1,658,137                      |

## NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 4. Revenue, Other Income and Gains and Contract Liabilities (Continued)

## Revenue from contracts with customers (Continued)

## (b) Performance obligations

Information about the Group's performance obligations is summarised below:

For residential property management services and non-residential property management and commercial operational services, the Group recognised revenue in the amount that equals to the rights to invoices which corresponds directly with the value to the customers of the Group's performance to date. The Group has elected the practical expedient for not to disclose the remaining performance obligations for these types of contracts because the performance obligation is part of a contract that has an original expected duration of one year or less, and there was unsatisfied performance obligation at the end of the respective periods.

## Contract liabilities

The Group recognised the following revenue-related contract liabilities:

|                           | As at<br>30 June<br>2026<br>RMB'000<br>(Unaudited) | 31 December<br>2025<br>RMB'000<br>(Audited) |
|---------------------------|----------------------------------------------------|---------------------------------------------|
| Third parties             | 277,102                                            | 288,533                                     |
| Related parties (note 17) | 2,844                                              | 2,793                                       |
| Contract liabilities      | 279,946                                            | 291,326                                     |

Contract liabilities of the Group mainly arise from the advance payments received from customers for services yet to be provided.

## Other income and gains

An analysis of other income and gains is as follows:

|                                                                  | Six months ended 30 June<br>2026<br>RMB'000<br>(Unaudited) | 2025<br>RMB'000<br>(Unaudited) |
|------------------------------------------------------------------|------------------------------------------------------------|--------------------------------|
| Interest income                                                  | 637                                                        | 1,040                          |
| Government grants                                                | 1,828                                                      | 2,038                          |
| Gains on disposal of items of property, plant and equipment, net | 467                                                        | 80                             |
| Late penalty income                                              | 1,390                                                      | 2,408                          |
| Tax incentives on value-added tax*                               | 1,365                                                      | 1,178                          |
| Others                                                           | 183                                                        | 729                            |
|                                                                  | 5,870                                                      | 7,473                          |

\* There are no unfulfilled conditions or contingencies relating to these incentives.

## NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 5. Loss Before Tax

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

|                                                                                      | Six months ended 30 June |             |
|--------------------------------------------------------------------------------------|--------------------------|-------------|
|                                                                                      | 2026                     | 2025        |
|                                                                                      | RMB'000                  | RMB'000     |
|                                                                                      | (Unaudited)              | (Unaudited) |
| Cost of services provided                                                            | 1,218,497                | 1,239,313   |
| Depreciation of property, plant and equipment*                                       | 5,715                    | 14,479      |
| Amortisation of other intangible assets**                                            | 31,599                   | 38,239      |
| Gain on disposal of items of property, plant and equipment, net                      | (467)                    | (80)        |
| Employee benefit expenses (excluding directors' and chief executive's remuneration)* |                          |             |
| Wages and salaries                                                                   | 449,016                  | 506,763     |
| Share-based payment expenses                                                         | 595                      | 595         |
| Pension scheme contributions                                                         | 45,149                   | 51,763      |
| Other employee benefits                                                              | 46,230                   | 53,964      |
|                                                                                      | 540,990                  | 613,085     |
| Impairment losses on property, plant and equipment***                                | —                        | 28,775      |
| Impairment losses on goodwill***                                                     | 76,327                   | 84,450      |
| Net impairment losses recognised on financial assets:                                |                          |             |
| Trade receivables***                                                                 | 194,192                  | 237,196     |
| Prepayments, other receivables and other assets***                                   | 12,347                   | 14,589      |

\* The depreciation of property, plant and equipment and employee benefit expense are included in "Cost of sales" and "Administrative expenses" in the condensed consolidated statement of profit or loss.

\*\* The amortisation of other intangible assets is included in "Administrative expenses" in the condensed consolidated statement of profit or loss.

\*\*\* Impairment losses on property, plant and equipment, impairment losses on goodwill and net impairment losses recognised on trade receivables and prepayments, other receivables and other assets are included in "Other expenses, net" in the condensed consolidated statement of profit or loss.

## 6. Finance Costs

An analysis of finance costs is as follows:

|                                       | Six months ended 30 June |             |
|---------------------------------------|--------------------------|-------------|
|                                       | 2026                     | 2025        |
|                                       | RMB'000                  | RMB'000     |
|                                       | (Unaudited)              | (Unaudited) |
| Interest on bank and other borrowings | 6,775                    | 10,789      |
| Interest on lease liabilities         | 151                      | 293         |
|                                       | 6,926                    | 11,082      |

## NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 7. Income Tax

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands and the BVI, the entities of the Group which were incorporated in the Cayman Islands and the BVI are not subject to any income tax. The Group's subsidiaries incorporated in Hong Kong are not liable for income tax as they did not generate any assessable profits arising in Hong Kong during the six months ended 30 June 2026.

The income tax provision of the Group's subsidiaries established in the PRC in respect of its operation in Chinese Mainland was calculated at the tax rate of 25% on their assessable profits for the six months ended 30 June 2026, if applicable, based on the existing legislation, interpretations and practice in respect thereof. Certain subsidiaries of the Group operating in the PRC enjoyed a preferential corporate income tax rate of 15% during the six months ended 30 June 2026.

|          | Six months ended 30 June       |                                |
|----------|--------------------------------|--------------------------------|
|          | 2026<br>RMB'000<br>(Unaudited) | 2025<br>RMB'000<br>(Unaudited) |
| Current  | 52,129                         | 59,571                         |
| Deferred | (29,068)                       | 52,868                         |
|          | 23,061                         | 112,439                        |

## 8. Dividends

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

## 9. Losses Per Share Attributable to Ordinary Equity Holders of the Parent

The calculation of the basic and diluted losses per share is based on the loss attributable to ordinary equity holders of the parent of approximately RMB152,357,000 for the six months ended 30 June 2026 (for the six months ended 30 June 2025: approximately RMB268,121,000), and the weighted average number of shares of 2,025,858,916 (for the six months ended 30 June 2025: 2,025,858,916) in issue during the six months ended 30 June 2026.

## NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 10. Goodwill

|                                                     | 30 June<br>2026<br>RMB'000<br>(Unaudited) | 31 December<br>2025<br>RMB'000<br>(Audited) |
|-----------------------------------------------------|-------------------------------------------|---------------------------------------------|
| At beginning of the period/year:                    |                                           |                                             |
| Cost                                                | 1,743,159                                 | 1,743,159                                   |
| Accumulated impairment                              | (1,113,039)                               | (1,029,263)                                 |
| Net carrying amount                                 | 630,120                                   | 713,896                                     |
| Net carrying amount at beginning of the period/year | 630,120                                   | 713,896                                     |
| Impairment during the period/year                   | (76,327)                                  | (83,776)                                    |
| Net carrying amount at end of the period/year       | 553,793                                   | 630,120                                     |
| At end of the period/year:                          |                                           |                                             |
| Cost                                                | 1,743,159                                 | 1,743,159                                   |
| Accumulated impairment                              | (1,189,366)                               | (1,113,039)                                 |
| Net carrying amount                                 | 553,793                                   | 630,120                                     |

## Impairment testing of goodwill

For the purpose of impairment testing, goodwill acquired through business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs.

The goodwill allocated to each of the CGUs is as follows:

|                                                         | As at<br>30 June<br>2026<br>RMB'000<br>(Unaudited) | 31 December<br>2025<br>RMB'000<br>(Audited) |
|---------------------------------------------------------|----------------------------------------------------|---------------------------------------------|
| CGU                                                     |                                                    |                                             |
| Guangdong Gangyu Enterprise Management Co., Ltd.*       | 134,718                                            | 134,718                                     |
| Guangzhou Runtong Property Management Co., Ltd.*        | 125,490                                            | 125,490                                     |
| Shanghai Shenqin Property Management Service Co., Ltd.* | 439,567                                            | 439,567                                     |
| Guangdong Telijie*                                      | 135,678                                            | 135,678                                     |
| Living Technology*                                      | 907,706                                            | 907,706                                     |
|                                                         | 1,743,159                                          | 1,743,159                                   |

\* The English name represents the best efforts made by the directors of the Company to translate the Chinese name as it does not have any official English name.

Impairment test on the goodwill should be performed annually or when the management is aware of events and circumstance changes that might be identified as goodwill impairment indicators. Impairment losses on goodwill for the six months ended 30 June 2026 amounted to approximately RMB76,327,000 (for the six months ended 30 June 2025: approximately RMB84,450,000).

## NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

**11. Other Intangible Assets**

|                                                            | Property<br>management<br>contracts<br>RMB'000<br>(Unaudited) | Customer<br>relationships<br>RMB'000<br>(Unaudited) | Software<br>RMB'000<br>(Unaudited) | Non-compete<br>agreements<br>RMB'000<br>(Unaudited) | Total<br>RMB'000<br>(Unaudited) |
|------------------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------|------------------------------------|-----------------------------------------------------|---------------------------------|
| <b>30 June 2026</b>                                        |                                                               |                                                     |                                    |                                                     |                                 |
| Cost at 1 January 2026, net of<br>accumulated amortisation | —                                                             | 299,563                                             | 18,304                             | —                                                   | 317,867                         |
| Additions                                                  | —                                                             | —                                                   | 1,362                              | —                                                   | 1,362                           |
| Amortisation provided during the period                    | —                                                             | (28,875)                                            | (2,724)                            | —                                                   | (31,599)                        |
| At 30 June 2026                                            | —                                                             | 270,688                                             | 16,942                             | —                                                   | 287,630                         |
| At 30 June 2026                                            |                                                               |                                                     |                                    |                                                     |                                 |
| Cost                                                       | 203,872                                                       | 651,567                                             | 38,935                             | 22,872                                              | 917,246                         |
| Accumulated amortisation and<br>impairment                 | (203,872)                                                     | (380,879)                                           | (21,993)                           | (22,872)                                            | (629,616)                       |
| Net carrying amount                                        | —                                                             | 270,688                                             | 16,942                             | —                                                   | 287,630                         |

## NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 11. Other Intangible Assets (Continued)

|                                                            | Property<br>management<br>contracts<br>RMB'000<br>(Unaudited) | Customer<br>relationships<br>RMB'000<br>(Unaudited) | Software<br>RMB'000<br>(Unaudited) | Non-compete<br>agreements<br>RMB'000<br>(Unaudited) | Total<br>RMB'000<br>(Unaudited) |
|------------------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------|------------------------------------|-----------------------------------------------------|---------------------------------|
| 30 June 2025                                               |                                                               |                                                     |                                    |                                                     |                                 |
| Cost at 1 January 2025, net of<br>accumulated amortisation | 6,956                                                         | 357,429                                             | 18,973                             | —                                                   | 383,358                         |
| Additions                                                  | —                                                             | —                                                   | 2,426                              | —                                                   | 2,426                           |
| Amortisation provided during the period                    | (6,956)                                                       | (28,874)                                            | (2,409)                            | —                                                   | (38,239)                        |
| At 30 June 2025                                            | —                                                             | 328,555                                             | 18,990                             | —                                                   | 347,545                         |
| At 30 June 2025                                            |                                                               |                                                     |                                    |                                                     |                                 |
| Cost                                                       | 203,872                                                       | 651,567                                             | 35,362                             | 22,872                                              | 913,673                         |
| Accumulated amortisation and<br>impairment                 | (203,872)                                                     | (323,012)                                           | (16,372)                           | (22,872)                                            | (566,128)                       |
| Net carrying amount                                        | —                                                             | 328,555                                             | 18,990                             | —                                                   | 347,545                         |

## 12. Trade Receivables

|                                                     | As at<br>30 June<br>2026<br>RMB'000<br>(Unaudited) | 31 December<br>2025<br>RMB'000<br>(Audited) |
|-----------------------------------------------------|----------------------------------------------------|---------------------------------------------|
| Related parties (note 17)                           | 2,524,917                                          | 2,415,255                                   |
| Third parties                                       | 1,866,796                                          | 1,721,268                                   |
| Trade receivables                                   | 4,391,713                                          | 4,136,523                                   |
| Less: Allowance for impairment of trade receivables | (1,573,346)                                        | (1,394,241)                                 |
|                                                     | 2,818,367                                          | 2,742,282                                   |

## NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

**12. Trade Receivables (Continued)**

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

|               | As at<br>30 June<br>2026<br>RMB'000<br>(Unaudited) | 31 December<br>2025<br>RMB'000<br>(Audited) |
|---------------|----------------------------------------------------|---------------------------------------------|
| Within 1 year | 955,347                                            | 1,012,294                                   |
| 1 to 2 years  | 538,669                                            | 492,639                                     |
| 2 to 3 years  | 504,403                                            | 606,560                                     |
| Over 3 years  | 819,948                                            | 630,789                                     |
|               | <b>2,818,367</b>                                   | <b>2,742,282</b>                            |

**13. Trade Payables**

|                           | As at<br>30 June<br>2026<br>RMB'000<br>(Unaudited) | 31 December<br>2025<br>RMB'000<br>(Audited) |
|---------------------------|----------------------------------------------------|---------------------------------------------|
| Related parties (note 17) | 18,583                                             | 21,114                                      |
| Third parties             | 759,112                                            | 663,620                                     |
|                           | <b>777,695</b>                                     | <b>684,734</b>                              |

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

|               | As at<br>30 June<br>2026<br>RMB'000<br>(Unaudited) | 31 December<br>2025<br>RMB'000<br>(Audited) |
|---------------|----------------------------------------------------|---------------------------------------------|
| Within 1 year | 600,929                                            | 549,765                                     |
| 1 to 2 years  | 123,086                                            | 89,380                                      |
| 2 to 3 years  | 32,318                                             | 25,843                                      |
| Over 3 years  | 21,362                                             | 19,746                                      |
|               | <b>777,695</b>                                     | <b>684,734</b>                              |

## NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 14. Interest-bearing Bank and Other Borrowings

|                                                                  | As at<br>30 June<br>2026<br>RMB'000<br>(Unaudited) | 31 December<br>2025<br>RMB'000<br>(Audited) |
|------------------------------------------------------------------|----------------------------------------------------|---------------------------------------------|
| <b>Current</b>                                                   |                                                    |                                             |
| Bank and other borrowings — secured                              | 19,000                                             | 11,500                                      |
| Current portion of long-term bank and other borrowings — secured | 66,962                                             | 128,857                                     |
|                                                                  | 85,962                                             | 140,357                                     |
| <b>Non-current</b>                                               |                                                    |                                             |
| Bank and other borrowings — secured                              | 287,733                                            | 273,975                                     |
|                                                                  | 373,695                                            | 414,332                                     |

Certain of the Group's bank and other borrowings and unutilised facilities are secured by certain of the Group's revenue of certain service contracts amounting to approximately RMB130,407,000 as at 30 June 2026 (as at 31 December 2025: approximately RMB131,092,000) and equity interest of a subsidiary of the Group.

As at 30 June 2026 and 31 December 2025, certain of the Group's bank loan is guaranteed by a related company.

As at 30 June 2026, the bank and other borrowings were denominated in RMB and carried interests at prevailing market rates ranging from 2.70% to 6.82% per annum (as at 31 December 2025: 2.80% to 8.21%).

## NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 15. Share Capital

|                                               | As at                        |                         | As at                      |                       |
|-----------------------------------------------|------------------------------|-------------------------|----------------------------|-----------------------|
|                                               | 30 June 2026                 | 31 December 2025        | 30 June 2026               | 31 December 2025      |
|                                               | No. of shares<br>(Unaudited) | HK\$'000<br>(Unaudited) | No. of shares<br>(Audited) | HK\$'000<br>(Audited) |
| Authorised:                                   |                              |                         |                            |                       |
| Ordinary shares at par value of HK\$0.01 each | 10,000,000,000               | 100,000                 | 10,000,000,000             | 100,000               |

|                                               | As at                        |                         |                                         | As at                      |                       |                                       |
|-----------------------------------------------|------------------------------|-------------------------|-----------------------------------------|----------------------------|-----------------------|---------------------------------------|
|                                               | 30 June 2026                 | 31 December 2025        | 30 June 2026                            | 31 December 2025           | 30 June 2026          | 31 December 2025                      |
|                                               | No. of shares<br>(Unaudited) | HK\$'000<br>(Unaudited) | Equivalent to<br>RMB'000<br>(Unaudited) | No. of shares<br>(Audited) | HK\$'000<br>(Audited) | Equivalent to<br>RMB'000<br>(Audited) |
| Issued and fully paid:                        |                              |                         |                                         |                            |                       |                                       |
| Ordinary shares at par value of HK\$0.01 each | 2,025,858,916                | 20,259                  | 17,568                                  | 2,025,858,916              | 20,259                | 17,568                                |

A summary of movements in the Company's share capital is as follows:

|                                        | Number of<br>shares in issue<br>(Unaudited) | Share capital<br>RMB'000<br>(Unaudited) |
|----------------------------------------|---------------------------------------------|-----------------------------------------|
| At 31 December 2025 and 1 January 2026 | 2,025,858,916                               | 17,568                                  |
| At 30 June 2026                        | 2,025,858,916                               | 17,568                                  |

|                                        | Number of<br>shares in issue<br>(Unaudited) | Share capital<br>RMB'000<br>(Unaudited) |
|----------------------------------------|---------------------------------------------|-----------------------------------------|
| At 31 December 2024 and 1 January 2025 | 2,025,858,916                               | 17,568                                  |
| At 30 June 2025                        | 2,025,858,916                               | 17,568                                  |

## 16. Commitments

At the end of the reporting period, the Group did not have any significant commitments.

## NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 17. Related Party Transactions

## (a) Transactions with related parties

|                                                                                | Six months ended 30 June       |                                |
|--------------------------------------------------------------------------------|--------------------------------|--------------------------------|
|                                                                                | 2026<br>RMB'000<br>(Unaudited) | 2025<br>RMB'000<br>(Unaudited) |
| Residential property management service income:                                |                                |                                |
| Subsidiaries, joint ventures and associates of KWG Holdings*                   | 54,681                         | 59,670                         |
| An associate of the Group                                                      | 6,265                          | 4,685                          |
|                                                                                | 60,946                         | 64,355                         |
| Non-residential property management and commercial operational service income: |                                |                                |
| Subsidiaries and joint ventures of KWG Holdings                                | 64,164                         | 76,095                         |
| Costs and expenses:                                                            |                                |                                |
| Subsidiaries of KWG Holdings                                                   | 7,486                          | 7,696                          |
| An associate of the Group                                                      | 83                             | —                              |
|                                                                                | 7,569                          | 7,696                          |
| Information technology expenses:                                               |                                |                                |
| KWG Holdings                                                                   | 1,000                          | 1,000                          |

\* KWG Holdings is ultimately controlled by Plus Earn.

The prices for the above services fees and other transactions were determined in accordance with the terms mutually agreed by the contracting parties.

## NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 17. Related Party Transactions (Continued)

## (b) Outstanding balances with related parties

|                                                             | As at                                     |                                             |
|-------------------------------------------------------------|-------------------------------------------|---------------------------------------------|
|                                                             | 30 June<br>2026<br>RMB'000<br>(Unaudited) | 31 December<br>2025<br>RMB'000<br>(Audited) |
| <b>Prepayments and receivables from related parties</b>     |                                           |                                             |
| Trade receivables                                           |                                           |                                             |
| Subsidiaries, joint ventures and associates of KWG Holdings | 2,516,973                                 | 2,408,719                                   |
| An associate of the Group                                   | 7,944                                     | 6,536                                       |
|                                                             | 2,524,917                                 | 2,415,255                                   |
| Prepayments and other receivables                           |                                           |                                             |
| Subsidiaries and joint ventures of KWG Holdings             | 2,979                                     | 727                                         |
| An associate of the Group                                   | 313                                       | 313                                         |
|                                                             | 3,292                                     | 1,040                                       |
| <b>Payables to related parties</b>                          |                                           |                                             |
| Trade payables                                              |                                           |                                             |
| Subsidiaries and joint ventures of KWG Holdings             | 16,418                                    | 16,605                                      |
| An associate of the Group                                   | 2,165                                     | 4,509                                       |
|                                                             | 18,583                                    | 21,114                                      |
| Other payables                                              |                                           |                                             |
| Subsidiaries and joint ventures of KWG Holdings             | 18,924                                    | 21,460                                      |
| Lease liabilities                                           |                                           |                                             |
| Subsidiaries of KWG Holdings                                | 532                                       | 688                                         |
| Contract liabilities                                        |                                           |                                             |
| Subsidiaries and joint ventures of KWG Holdings             | 2,844                                     | 2,793                                       |

## NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 17. Related Party Transactions (Continued)

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

|                                           | Six months ended 30 June       |                                |
|-------------------------------------------|--------------------------------|--------------------------------|
|                                           | 2026<br>RMB'000<br>(Unaudited) | 2025<br>RMB'000<br>(Unaudited) |
| Salaries, allowances and benefits in kind | 2,455                          | 2,826                          |
| Pension scheme contributions              | 85                             | 85                             |
|                                           | 2,540                          | 2,911                          |

## 18. 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                                        |                                                      |
|--------------------------------------------|----------------------------------------------------|------------------------------------------------------|----------------------------------------------------|------------------------------------------------------|
|                                            | As at<br>30 June<br>2026<br>RMB'000<br>(Unaudited) | As at<br>31 December<br>2025<br>RMB'000<br>(Audited) | As at<br>30 June<br>2026<br>RMB'000<br>(Unaudited) | As at<br>31 December<br>2025<br>RMB'000<br>(Audited) |
| <b>Financial liabilities:</b>              |                                                    |                                                      |                                                    |                                                      |
| Interest-bearing bank and other borrowings | 373,695                                            | 414,332                                              | 372,035                                            | 410,564                                              |

Management has assessed that the fair values of cash and cash equivalents, restricted cash, trade receivables, trade payables, lease liabilities, financial assets included in prepayments, other receivables and other assets, 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 Group's finance department is responsible for determining the policies and procedures for the fair value measurement of financial instruments.

The fair values of the financial assets 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 following methods and assumptions were used to estimate the fair value:

The fair values of the non-current portion of interest-bearing bank and other borrowings 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 and other borrowings as at 30 June 2026 were assessed to be insignificant.

## NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

**18. Fair Value and Fair Value Hierarchy of Financial Instruments (Continued)**

Liabilities for which fair values are disclosed:

As at 30 June 2026

|                                               | Fair value measurement using                                                 |                                                                            |                                                                              |                                 |
|-----------------------------------------------|------------------------------------------------------------------------------|----------------------------------------------------------------------------|------------------------------------------------------------------------------|---------------------------------|
|                                               | Quoted prices<br>in active<br>markets<br>(Level 1)<br>RMB'000<br>(Unaudited) | Significant<br>observable<br>inputs<br>(Level 2)<br>RMB'000<br>(Unaudited) | Significant<br>unobservable<br>inputs<br>(Level 3)<br>RMB'000<br>(Unaudited) | Total<br>RMB'000<br>(Unaudited) |
| Interest-bearing bank and<br>other borrowings | —                                                                            | 372,035                                                                    | —                                                                            | 372,035                         |

As at 31 December 2025

|                                               | Fair value measurement using                                               |                                                                          |                                                                            |                               |
|-----------------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------|----------------------------------------------------------------------------|-------------------------------|
|                                               | Quoted prices<br>in active<br>markets<br>(Level 1)<br>RMB'000<br>(Audited) | Significant<br>observable<br>inputs<br>(Level 2)<br>RMB'000<br>(Audited) | Significant<br>unobservable<br>inputs<br>(Level 3)<br>RMB'000<br>(Audited) | Total<br>RMB'000<br>(Audited) |
| Interest-bearing bank and<br>other borrowings | —                                                                          | 410,564                                                                  | —                                                                          | 410,564                       |

**19. Approval of the Interim Financial Information**

The Interim Financial Information was approved and authorised for issue by the Board on 28 August 2026.