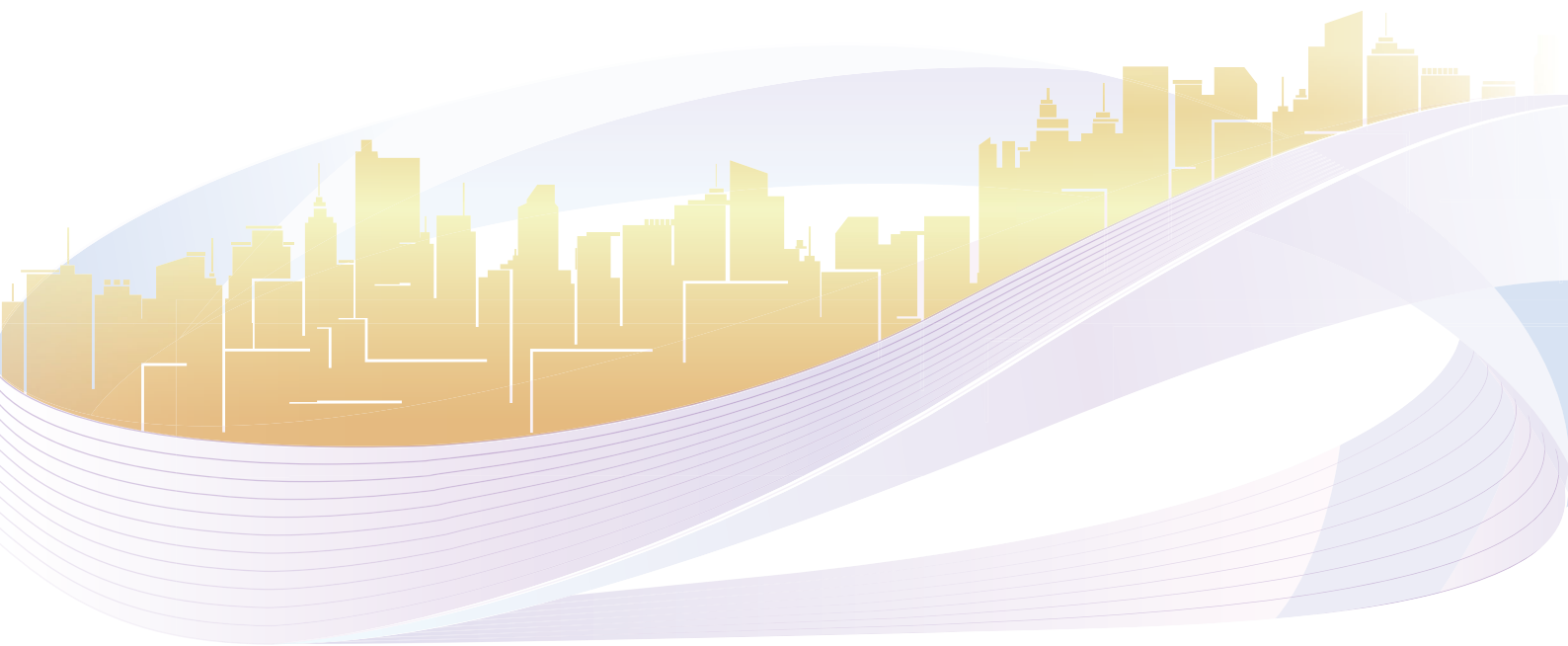


2026 中期報告

INTERIM REPORT



融創服務控股有限公司

SUNAC SERVICES HOLDINGS LIMITED

(於開曼群島註冊成立的有限責任公司)

(INCORPORATED IN THE CAYMAN ISLANDS WITH LIMITED LIABILITY)

STOCK CODE 股份代號: 01516.HK

SUNAC SERVICES
HOLDINGS LIMITED

融創服務控股有限公司

融創服務控股有限公司(「本公司」，連同其附屬公司統稱為「本集團」)是一家於香港聯合交易所有限公司(「聯交所」)主板上市的公司。

本集團自成立以來，聚焦核心城市中高端物業，踐行高質量發展戰略，佈局物業管理及商業運營綜合服務兩大業務板塊，逐步確立了行業領先地位。本集團始終以「至善 • 致美」為服務理念，為客戶提供全面的高品質物業服務，致力於成為「中國品質服務首選品牌」。

Sunac Services Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) is a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Since its establishment, the Group has focused on mid-to-high-end properties in core cities, adhered to the strategy of high quality development, and developed two main business segments of property management and comprehensive commercial operational services, owing to which, the Group has established its leading position in the industry gradually. In pursuit of its service philosophy of “commitment to excellence and beauty” (至善 • 致美), the Group offers a full range of high-quality property services to its customers and is dedicated to becoming the “Best Quality Service Provider in China”.



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CORPORATE INFORMATION

BOARD OF DIRECTORS

CHAIRMAN AND NON-EXECUTIVE DIRECTOR

Mr. Wang Mengde (Resigned on 22 May 2026)
Mr. Huang Shuping (Appointed on 22 May 2026)

EXECUTIVE DIRECTORS

Ms. Cao Hongling (*Chief Executive Officer*)
Ms. Yang Man
Mr. Huang Xiaou

NON-EXECUTIVE DIRECTOR

Mr. Gao Xi

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Wang Lihong
Mr. Yao Ning
Mr. Zhao Zhonghua

AUDIT COMMITTEE

Mr. Yao Ning (*Chairperson*)
Ms. Wang Lihong
Mr. Zhao Zhonghua

REMUNERATION COMMITTEE

Ms. Wang Lihong (*Chairperson*)
Ms. Cao Hongling
Mr. Yao Ning
Mr. Zhao Zhonghua

NOMINATION COMMITTEE

Mr. Huang Shuping (*Chairperson*)
Ms. Wang Lihong
Mr. Yao Ning
Mr. Zhao Zhonghua

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Ms. Cao Hongling (*Chairperson*)
Ms. Yang Man
Ms. Wang Lihong
Mr. Yao Ning
Mr. Zhao Zhonghua

COMPANY SECRETARY

Mr. Zhang Xiaoming

AUTHORISED REPRESENTATIVES

Ms. Yang Man
Mr. Zhang Xiaoming

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PRC

REGISTERED OFFICE

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CORPORATE INFORMATION

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

LEGAL ADVISER

Sidley Austin

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor

PRINCIPAL BANKERS

Industrial and Commercial Bank of China
China Construction Bank

STOCK CODE

HKSE: 01516

COMPANY'S WEBSITE

www.sunacservice.com

CHAIRMAN'S STATEMENT

Dear Shareholders,

I would like to present to you the business review of the Company for the first half of 2026 and the business outlook for the second half of 2026.

Review of the First Half of 2026

In the first half of 2026, the property-management industry continued to forge ahead under pressure amid profound structural adjustments. Local governments stepped up compliance-focused supervision. The gap between owners' expectations for service quality and their willingness to pay did not narrow significantly. Repair-maintenance and labour costs for existing projects remained under pressure, while competition within the industry stayed intense. At the same time, as 2026 marks the kick-off year of the 15th Five-Year Plan, the National Plan Outline formally incorporated the *Property Service Quality Improvement Initiative* into the top-level framework for high-quality housing development, and incorporated property services into housing entire-life-cycle management and grassroots-level governance systems. On the one hand, it promoted the renovation of old residential communities and encouraged property management to extend into people-livelihood-oriented services including elderly care, childcare and housekeeping, setting out the development direction for the property-management sector. On the other hand, it further refined the industry's regulatory regime and implemented a tripartite collaborative community-governance mechanism under Party-building-led guidance. This has driven the industry to move decisively away from extensive scale-driven expansion and enter a new phase featuring lean operations, service-quality uplift, compliant operations and high-quality development. In the first half of the year, the Group maintained its strategic focus, with all business segments progressing steadily. Our operating results stabilised and improved, and we achieved phased success.

Stable and Improving Operating Results

Using operational health and sustainability as the benchmark to optimise the portfolio structure remains the Company's top priority at this stage. The Group has focused on key and difficult projects, zeroed in on core issues, further deployed its management team to the front line, and formulated tailored solutions on a project-by-project basis. The Group conducted a comprehensive review of all projects, fully consolidated various costs, and strengthened the refined day-to-day management of costs. In project management, on the one hand, the Group continued to coordinate with the property development arm, integrate resources, address outstanding delivery-related issues, improve on-site quality and services, and lay a solid foundation for fee collection. On the other hand, during the first half of the year, the Group made the special "clearance campaign" for loss-making projects a key priority, identifying issues in each long-term loss-making project, determining turnaround plans, clarifying primary responsibilities, and implementing action plans. For projects that could not be viably operated due to high vacancy rates or low payment willingness among customer groups, the Group made decisive choices and firmly pushed forward the exit process. At the platform management level, the Group further deepened organisational adjustments, strengthening project execution, reinforcing city-level management, streamlining regional structures, and improving management efficiency. In the first half of the year, administrative expenses were further reduced. On this basis, the Group's operating performance in the first half of the year remained steady with a positive trend.

Excluding the impact of the Group's disposal of Zhangtai Services Group Company Limited (彰泰服務集團有限公司) ("Zhangtai Services") in 2025, the Group's management scale remained broadly stable, with revenue slightly decreasing by 2% and gross profit margin marginally increasing by 0.1 percentage point to 20.7%, primarily benefiting from more refined control and improved operational efficiency. As the organisational structure continued to be optimised, management efficiency continued to improve, resulting in a further reduction of 1.2 percentage points in the administrative expense ratio. Ultimately, the net profit attributable to owners of the parent increased by approximately 71% year-on-year. At the same time, operating cash flow improved year-on-year.

Enhancing the Quality and Efficiency of the Core Business

The Group's management scale remained stable, with an area under management of approximately 260 million square metres.

In the first half of 2026, the Group achieved growth in both revenue and gross profit from the non-residential business segment. Under the high requirements for development quality, the Group firmly discontinued and exited non-residential projects with low profitability and slow payment collection cycles. The Group focused on the key industrial and office business formats, continuously expanding high-quality customer projects. The Group accumulated a portfolio of quality industries over the years, including advanced manufacturing, technology, finance and elderly care. In the first half of the year, leading enterprises were added in the AI sector, covering the entire industry chain including silicon wafer manufacturing, chip manufacturing, computing centres and data centres. Looking ahead, the Group will continue to work hand in hand with high-potential industries and more leading customers.

Revenue from the residential business segment slightly decreased by approximately 1.9%, as affected by the exit from low-quality and low-efficiency projects. However, with more refined cost controls and the broader application of technological tools, operational capabilities improved slightly, driving an increase in gross profit of approximately 3.0%. The enhancement of service quality served as the foundation for delivering operational results. In the first half of 2026, the Group focused on resolving pain points and issues raised by owners. The resolution time for complaint work orders recorded a year-on-year decrease of approximately 16%, and the number of work orders involving difficult issues recorded a year-on-year decrease of approximately 52%. The satisfaction scores for residential projects improved to 92 points, while the project satisfaction pass rate rose by 5 percentage points, reflecting more balanced performance across projects.

A harmonious community cannot be built without amicable owner relationships and a warm neighbourhood atmosphere. Guided by Party building leadership and leveraging the opportunity of tripartite governance, we initiated the exploration of community building on a pilot basis in 2024, delivered 13 benchmark projects and released its proprietary community-building framework for industry reference in 2025, and rolled out the framework system-wide across the Group in 2026. Community-building has since become a well-established signature of Sunac Services' soft-service offerings. Notably, the community convenience mini-market at Xi'an Longfu organises volunteer-led free services including haircuts, knife-sharpening, clothing mending and home-appliance repairs for owners on the first day of each calendar month. These practical grassroots activities foster strong community cohesion and have received positive coverage from CCTV News Channel. Foshan Wangjiangfu was selected by the Ministry of Housing and Urban-Rural Development (MOHURD) as a typical case under the initiative "Strengthening Property Management and Jointly Building Beautiful Homes". Similar heart-warming community-building initiatives are quietly unfolding across multiple Sunac-managed communities.

CHAIRMAN'S STATEMENT

Fully Embracing Digital Technology

As the property-management industry represents a traditional labour-intensive sector, we firmly believe that technology and smart machinery constitute an inevitable enabler driving industry-model transformation. During the first half of 2026, we fully embraced AI across operations ranging from front-line project delivery to day-to-day platform administration. The AI cloud-inspection system underwent further optimisation and upgrade, achieving an automatic image-recognition accuracy rate of over 95%. Front-line staff were empowered to configure alert rules independently. Cleaning and landscaping robots were rolled out at scale. Robot models were selected to match project dimensions and on-site road conditions under a leasing-based cooperation model, enabling the Group to capture benefits from rapid technological iterations. The AI-powered intelligent work assistant received comprehensive enhancement. Its knowledge-base scope was expanded to encompass system operations, institutional workflows and legal consultation. Its functionalities evolved from basic Q&A capabilities into an execution-oriented tool capable of logging service requests and resolving operational issues. AI Business Partners (AI BPs) were deployed across the Group's functional departments to guide employees to identify real-world AI use-cases from business perspectives and facilitate AI-tool roll-out. In the first half-year, cross-departmental teams delivered collective efforts, developing more than 70 proprietary specialised AI agents/lightweight systems. We aim to transform individual efficiency gains into organisational efficiency improvements. AI will inevitably drive business process re-engineering and organisational restructuring, thereby addressing operational pain points, breaking through industry bottlenecks, and injecting momentum into the industry's high-quality development. Going forward, we will leverage the respective strengths of human resources, machinery and AI, assigning each to perform tasks best aligned with its capabilities to achieve complementary outcomes, so as to reconstruct on-site project workflows.

Steady Growth in Community Living Services

In recent years, the park operation business has faced sustained pressure due to multiple factors, including a decline in delivery-related projects, changes in the sharing of public area revenue with property owners, and the impact of traditional space media being challenged by new media. Meanwhile, the owner-oriented convenience lifestyle services that we have been nurturing and developing in recent years have been growing steadily and progressively, in line with our plans. In the first half of 2026, we continued to drive core businesses with growth potential, high value, and the ability to establish sustained, sticky relationships with property owners. In the asset intermediary business, our total contract value in the first half of the year grew by 30% year-on-year. At the same time, we promoted business empowerment for our core operations, breaking through the store-based sales model by empowering and training frontline staff, resulting in a year-on-year increase of approximately 93% in the number of orders facilitated through such empowerment efforts. In the home repair business, which is also closely related to the preservation and appreciation of owners' assets, with the increase in owners' recognition and trust in home repair services, order volume rose by 8% in the first half of the year. Meanwhile, we strengthened the skills training of reusable engineering personnel, enabling us to gradually expand the scope of repair services we can undertake – from basic maintenance to high-value specialised repairs, and from pure repair work to material sales. As a result, the average order value increased by approximately 19% year-on-year. In the retail business, we piloted a community group-buying model in the first half of the year, leveraging high-frequency group purchases to increase customer penetration and maintain customer stickiness. As a result, retail GMV increased by approximately 52% year-on-year.

CHAIRMAN'S STATEMENT

Revitalisation of Commercial Operations and Integration of Culture, Commerce and Tourism

Against a backdrop of moderating growth in total retail sales of consumer goods in the first half of the year, the commercial projects under Sunac Commercial's operation and management recorded approximately 70 million visitor arrivals, representing a year-on-year increase of approximately 5.2%, and reached a sales revenue (excluding vehicles) of approximately RMB3.37 billion, representing a year-on-year increase of approximately 1.9%. As one of the Group's core businesses, Sunac Commercial's operational capabilities continued to improve. Leveraging the scale advantages of our commercial projects, we introduced anchor stores exceeding 10,000 square metres, adopting a mega-scale strategy to secure leading market positions. In the first half of the year, we promoted the introduction of the first store in various cities, such as Panxiaobao Paradise at Global Center and Huajing Happy City at Nanchang Sunac Mall. For the asset-light expansion project, Shijiazhuang Sunac Mall, the leasing rate reached 70% within three months of initiating investment attracting activities in the first half of the year, laying a foundation for its successful opening by the end of the year. For the asset-light expansion project, the Shanghai Lingang Project Super Sports Hub, it had commenced comprehensive investment attracting activities, and will become Sunac's first commercial project featuring both indoor and outdoor professional sports themes upon opening.

Outlook of the Second Half of 2026

In the second half of the year, we will continue to adopt a cautious and prudent approach, comprehensively consolidate our operations, and hone our internal capabilities to lay a solid foundation for accelerated growth in the next phase. Firstly, we will continue to fully advance the "Clearance Action", so as to optimise the structure of our foundational business, make full use of resources and build a solid foundation for high-quality operations. Secondly, we will establish a comprehensive cost management system, implement lean management, and refine strategic supplier and reserve mechanisms, fostering sound and long-term cooperative relationships. In the second half of the year, we will continue to streamline platform organisational structures, reduce management layers, optimise processes, and enhance efficiency. At the same time, we will clarify authority and responsibility boundaries, strengthen the team's overall capabilities with a market-driven approach, and support the improvement of performance in market expansion. Project managers are the frontline "commanders" and the "cornerstone" of the Company. We will further enhance our internal training system, strengthen the project manager talent pipeline, and support the Company's development. In addition, we will continue to expand the application of AI technology, explore new scenarios, and comprehensively broaden the scope of human-machine collaboration, injecting new momentum into the transformation of service models and organisational structures. Finally, leveraging the cultural tourism resource endowment of the Sunac Group, we will deeply integrate Sunac Commercial's IP resources and events, as well as cultural and tourism resort resources, with Sunac community activities. This will enable us to transition from "community property services" to "cultural tourism lifestyle services", creating "standard entitlements" for Sunac Services' customers and building our core competitiveness through a "culture-commerce-tourism lifestyle experience"; and at the same time, we will actively explore the establishment of asset management platforms such as private equity funds and REITs, promoting a synergistic development model that integrates commercial operations with both light and heavy commercial assets, supports and reinforces each other.

Sunac Services Holdings Limited

Huang Shuping

Chairman of the Board

Hong Kong, 25 August 2026

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

1. REVENUE

For the six months ended 30 June 2026 (the “Period”), the Group recorded revenue of approximately RMB3,221.9 million, representing a decrease of approximately RMB324.7 million (approximately 9.2%) as compared with approximately RMB3,546.6 million for the six months ended 30 June 2025. The decrease in revenue was mainly due to the Group’s disposal of the equity interest held in its subsidiary, Zhangtai Services in the second half of 2025, whose operating results were included in the consolidation scope of the Group’s consolidated financial statements for the six months ended 30 June 2025. Excluding the impact of the above, revenue recorded by the Group during the Period still decreased by approximately RMB76.8 million (approximately 2.3%) as compared to the same period last year. The following tables set forth the details of the Group’s total revenue by source and business line for the periods indicated:

By source:

	Six months ended 30 June			
	2026		2025	
	RMB'000	%	RMB'000	%
Third parties	3,141,625	97.5	3,443,311	97.1
Related parties	80,292	2.5	103,294	2.9
Total	3,221,917	100.0	3,546,605	100.0

By business line:

	Six months ended 30 June			
	2026		2025	
	RMB'000	%	RMB'000	%
Property management and operational services	3,034,494	94.2	3,292,305	92.8
Community living services	163,611	5.1	210,732	6.0
Value-added services to non-property owners	23,812	0.7	43,568	1.2
Total	3,221,917	100.0	3,546,605	100.0

MANAGEMENT DISCUSSION AND ANALYSIS

Property management and operational services

For the six months ended 30 June 2026, the Group's revenue from property management and operational services was approximately RMB3,034.5 million, representing a decrease of approximately RMB257.8 million (approximately 7.8%) as compared with that for the six months ended 30 June 2025, which was mainly due to the Group's disposal of the equity interest held in its subsidiary, Zhangtai Services. Excluding the impact of the above, revenue from property management and operational services still decreased by approximately RMB36.5 million (approximately 1.2%) as compared to the same period last year, which was due to the Group's proactive exit from some property management service projects with poor collection performance during the Period. In particular, revenue from properties developed by the Sunac Group, its joint ventures and associates¹ was approximately RMB2,257.9 million, accounting for approximately 74.4%; revenue from properties developed by independent third-party property developers² was approximately RMB776.6 million, accounting for approximately 25.6%. By type of projects, revenue from residential properties was approximately RMB2,451.6 million, accounting for approximately 80.8%; revenue from non-residential properties was approximately RMB582.9 million, accounting for approximately 19.2%.

Community living services

For the six months ended 30 June 2026, the Group's revenue from community living services was approximately RMB163.6 million, representing a decrease of approximately RMB47.1 million (approximately 22.4%) as compared with that for the six months ended 30 June 2025. This was mainly due to the Group's disposal of the equity interest held in its subsidiary, Zhangtai Services and the year-on-year decrease in revenue from park operation services.

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

	Six months ended 30 June			
	2026		2025	
	RMB'000	%	RMB'000	%
Convenient living services for property owners	98,177	60.0	120,266	57.1
Park operation services	65,434	40.0	90,466	42.9
Total	163,611	100.0	210,732	100.0

Notes:

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

MANAGEMENT DISCUSSION AND ANALYSIS

Convenient living services for property owners mainly include community product sales, house cleaning and home repair and maintenance services, partial house renovation and transformation, water sales through community automatic water dispensers, community charging station charging and property agency services, etc., tailored to meet the needs of property owners. Revenue from convenient living services for property owners for the six months ended 30 June 2026 was approximately RMB98.2 million, representing a decrease of approximately RMB22.1 million as compared with that for the six months ended 30 June 2025. Such decrease was mainly due to the Group's disposal of the equity interest held in its subsidiary, Zhangtai Services. Excluding the impact of the above, revenue from convenient living services for property owners remained basically flat as compared to the same period last year.

Park operation services mainly include the park site resource leasing and the renovation and construction waste cleaning services, etc. Revenue from park operation services for the six months ended 30 June 2026 was approximately RMB65.4 million, representing a decrease of approximately RMB25.0 million as compared with that for the six months ended 30 June 2025. Excluding the impact of the Group's disposal of the equity interest held in its subsidiary, Zhangtai Services, revenue from park operation services still decreased by approximately RMB19.0 million as compared to the same period last year, which was mainly due the decrease in revenue from the park renovation and construction waste cleaning services resulting from the decrease of newly delivered projects, as well as the decline in revenue from site resource leasing business resulting from the decrease in the profit-sharing ratio for common area income in certain projects.

Value-added services to non-property owners

For the six months ended 30 June 2026, the Group's revenue from value-added services to non-property owners amounted to approximately RMB23.8 million, representing a decrease of approximately RMB19.8 million (approximately 45.3%) as compared with approximately RMB43.6 million for the six months ended 30 June 2025. This was mainly due to the contraction in real estate business volume, and the Group's continuous undertaking of business based on the principle of marketization, resulting in a continuous decline in revenue during the Period.

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

	Six months ended 30 June			
	2026		2025	
	RMB'000	%	RMB'000	%
Sales assistance services	16,900	71.0	19,960	45.8
Consultancy and other value-added services	4,015	16.9	13,425	30.8
Others	2,897	12.1	10,183	23.4
Total	23,812	100.0	43,568	100.0

MANAGEMENT DISCUSSION AND ANALYSIS

2. COST OF SALES

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

The Group's cost of sales amounted to approximately RMB2,554.8 million for the six months ended 30 June 2026, representing a decrease of approximately RMB220.3 million (approximately 7.9%) as compared with approximately RMB2,775.1 million for the six months ended 30 June 2025.

3. GROSS PROFIT AND GROSS PROFIT MARGIN

The Group's gross profit amounted to approximately RMB667.2 million for the six months ended 30 June 2026, representing a decrease of approximately RMB104.3 million (approximately 13.5%) as compared with approximately RMB771.5 million for the six months ended 30 June 2025. The Group's gross profit margin for the six months ended 30 June 2026 was approximately 20.7%, representing a decrease of approximately 1.1 percentage points as compared with 21.8% for the six months ended 30 June 2025. Excluding the impact of the Group's disposal of the equity interest held in its subsidiary, Zhangtai Services, the Group's gross profit margin remained basically flat as compared to the same period last year.

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

	Six months ended 30 June			
	2026		2025	
	Gross Profit RMB'000	Gross Profit Margin %	Gross Profit RMB'000	Gross Profit Margin %
Property management and operational services	599,645	19.8	663,628	20.2
Community living services	63,328	38.7	94,666	44.9
Value-added services to non-property owners	4,188	17.6	13,244	30.4
Total	667,161	20.7	771,538	21.8

Gross profit from property management and operational services decreased by approximately RMB64.0 million (approximately 9.6%) from approximately RMB663.6 million for the six months ended 30 June 2025 to approximately RMB599.6 million for the six months ended 30 June 2026. Such decrease was mainly due to the Group's disposal of the equity interest held in its subsidiary, Zhangtai Services. Excluding the impact of the above, gross profit from property management and operational services increased by approximately RMB17.3 million as compared to the same period last year, which was mainly due to the Group's continuous improvement in service efficiency during the Period through optimizing the service delivery model, dynamically adjusting staffing arrangements and adopting technological equipment to replace manual labour, leading to an increase in the gross profit margin of property management and operational services as compared to the same period last year.

MANAGEMENT DISCUSSION AND ANALYSIS

Gross profit from community living services decreased by approximately RMB31.4 million (approximately 33.1%) from approximately RMB94.7 million for the six months ended 30 June 2025 to approximately RMB63.3 million for the six months ended 30 June 2026, which was due to the Group's disposal of the equity interest held in its subsidiary, Zhangtai Services, and the decrease in gross profit resulting from the decline in revenue from park operation services.

4. ADMINISTRATIVE EXPENSES

For the six months ended 30 June 2026, the Group's administrative expenses amounted to approximately RMB194.8 million, representing a decrease of approximately RMB62.5 million as compared with approximately RMB257.3 million for the six months ended 30 June 2025. Excluding the impact of the Group's disposal of the equity interest held in its subsidiary, Zhangtai Services, the administrative expenses still decreased by approximately RMB42.6 million as compared to the same period last year. The decrease in administrative expenses was mainly due to the Group's ongoing efforts in implementing the intensive management and optimizing the management structure, so as to save cost expenditures.

5. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

For the six months ended 30 June 2026, the Group's net impairment losses on financial assets amounted to approximately RMB307.5 million, in which, the net impairment losses on financial assets from related parties amounted to approximately RMB72.0 million, while the net impairment losses on financial assets from third parties amounted to approximately RMB235.5 million. For the six months ended 30 June 2025, the Group's net impairment losses on financial assets amounted to approximately RMB346.0 million, in which, the net impairment losses on financial assets from related parties amounted to approximately RMB80.1 million, while the net impairment losses on financial assets from third parties amounted to approximately RMB265.9 million. During the Period, in light of the decline in the value of collateral pledged for repayment of amounts due from related parties, the Group further made impairment provisions against trade receivables from related parties. In addition, third-party property owners receiving property management and operational services from the Group showed an accelerated repayment rate year-on-year, leading to a year-on-year reduction in impairment losses for trade receivables from third parties.

6. OTHER INCOME

For the six months ended 30 June 2026, the Group's other income amounted to approximately RMB8.5 million, representing a decrease of approximately RMB12.3 million as compared with approximately RMB20.8 million for the six months ended 30 June 2025, which was mainly due to the decrease in various subsidies received during the Period.

7. FINANCE INCOME – NET

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

For the six months ended 30 June 2026, the Group's net finance income amounted to approximately RMB9.6 million, representing a decrease of approximately RMB1.7 million as compared with the net finance income of approximately RMB11.3 million for the six months ended 30 June 2025. Such change was mainly due to lower interest rate for bank deposits as compared to the same period last year.

MANAGEMENT DISCUSSION AND ANALYSIS

8. PROFIT FOR THE PERIOD

For the six months ended 30 June 2026, the Group's net profit amounted to approximately RMB140.8 million, in which, the profit attributable to the owners of the Company was approximately RMB124.2 million. For the six months ended 30 June 2025, the Group's net profit amounted to approximately RMB141.5 million, in which, the profit attributable to the owners of the Company was approximately RMB121.9 million.

9. TRADE AND OTHER RECEIVABLES

Trade and other receivables include trade receivables and other receivables.

As at 30 June 2026, the Group's net trade and other receivables (including current and non-current) were approximately RMB3,547.9 million, representing an increase of approximately RMB170.8 million as compared with approximately RMB3,377.1 million as at 31 December 2025, which was mainly due to the increase in the Group's gross trade receivables by approximately RMB441.1 million as compared to the end of the last year and the increase in impairment provision on trade receivables by approximately RMB290.7 million as compared to the end of the last year. The increase in gross trade receivables was mainly due to the revenue from property management and operational services being mostly collected in the second half of the year as affected by the payment habits of third-party property owners for property management and operational services of the Group. The increase in impairment provisions was mainly due to the Group's further impairment provisions on trade receivables for the sake of prudence.

10. TRADE AND OTHER PAYABLES

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

As at 30 June 2026, the Group's trade and other payables were approximately RMB2,051.3 million, representing a decrease of approximately RMB249.8 million as compared with approximately RMB2,301.1 million as at 31 December 2025, which was mainly due to the decrease in trade payables, deposit payables and payroll payables.

11. AVAILABLE FUNDS, FINANCIAL AND CAPITAL RESOURCES

As at 30 June 2026, the total amount of available funds (including cash and cash equivalents, restricted cash, bank deposits with the maturity over three months and wealth management products) of the Group was approximately RMB3,285.9 million, representing a decrease of approximately RMB754.1 million as compared with approximately RMB4,040.0 million as at 31 December 2025, which was mainly due to the net cash outflow from operating activities, share repurchases and dividend distributions during the Period. As at 30 June 2026, all of the Group's wealth management products were wealth management products with medium-low risk which were redeemable at any time.

As at 30 June 2026, the Group's net current assets (current assets less current liabilities) amounted to approximately RMB2,979.4 million (31 December 2025: approximately RMB2,949.7 million). The Group's current ratio (calculated by dividing current assets by current liabilities) was approximately 1.8 times (31 December 2025: approximately 1.7 times).

MANAGEMENT DISCUSSION AND ANALYSIS

As at 30 June 2026, the Group had no loans or borrowings (31 December 2025: Nil). As at 30 June 2026, the gearing ratio (as calculated by dividing total borrowings less lease liabilities by total equity as at the date indicated and multiplied by 100%) was nil (as at 31 December 2025: Nil).

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

12. CASH FLOW

For the six months ended 30 June 2026, the Group's net cash outflow from operating activities was approximately RMB657.3 million (for the six months ended 30 June 2025: net outflow of approximately RMB691.1 million). The decrease in net cash outflow from operating activities was mainly due to the increase in repayment from third-party property owners for whom the Group provided property management and operational services. The net cash outflow from investing activities was approximately RMB215.2 million (for the six months ended 30 June 2025: net outflow of approximately RMB819.7 million), which mainly represented the net outflow from the Group's purchase of wealth management products. The net cash outflow from financing activities was approximately RMB86.3 million (for the six months ended 30 June 2025: net outflow of approximately RMB465.8 million), which mainly represented the cash outflow from share repurchases and dividend distributions by the Company.

13. INTEREST RATE RISK

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

14. FOREIGN EXCHANGE RISK

The Group's operating activities are principally conducted in the PRC and most of its operations are denominated in RMB. The Group will closely monitor the fluctuations of the RMB exchange rate and give prudent consideration as to entering into currency swap arrangement as and when appropriate for hedging corresponding risks. As at 30 June 2026, the Group had no significant foreign exchange risks and had not engaged in hedging activities for managing foreign exchange risks.

15. PLEDGE OF ASSETS

As at 30 June 2026, none of the assets of the Group were pledged (as at 31 December 2025: Nil).

16. CONTINGENT LIABILITIES

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

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted the Corporate Governance Code (the “Corporate Governance Code”) contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) as its own code on corporate governance and had complied with all applicable code provisions of the Corporate Governance Code for the six months ended 30 June 2026.

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

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix C3 to the Listing Rules as the guidelines for the Directors’ dealings in the securities of the Company. Following specific enquiries of all the Directors, all Directors confirmed that they have complied with the required standards as set out in the Model Code in relation to their securities dealings (if any) during the six months ended 30 June 2026.

CHANGE IN INFORMATION OF DIRECTORS

There is no information regarding the Directors subject to disclosure pursuant to Rule 13.51B(1) of the Listing Rules since the publication of the 2025 annual report of the Company.

SHARE AWARD SCHEME

References are made to the prospectus of the Company dated 9 November 2020 (the “Prospectus”), the announcement of the Company dated 11 June 2021 and the circular of the Company dated 24 July 2026. Sunac Shine (PTC) Limited (“Sunac Shine”) adopted a share award scheme (the “Share Award Scheme”) on 11 June 2021 and was appointed as the trustee of the Sunac Services Share Award Scheme Trust for the purpose of the Share Award Scheme. On 13 August 2026, Sunac Shine decided to terminate the Share Award Scheme. The termination of the Share Award Scheme will not affect any awards already granted and subject to vesting, but no new awards will be granted under such scheme following its termination. The principal terms and conditions of the Share Award Scheme are summarized as follows:

(I) PURPOSE OF THE SHARE AWARD SCHEME

The purposes of the Share Award Scheme are to (i) recognize the contributions to the Group by certain Eligible Persons (as defined below) and to give incentives in order to motivate certain Eligible Persons for the continuing development of the Group; and (ii) to align the interest of certain Eligible Persons with those of the shareholders of the Company (the “Shareholders”) by providing them with the opportunity to own equity interests of the Company.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(II) DURATION OF THE SHARE AWARD SCHEME

Subject to any termination of the Share Award Scheme as determined by Sunac Shine, the Share Award Scheme shall be valid and effective for ten years commencing on the date of the first grant of any award (each an “Award”) of the ordinary shares of the Company (the “Shares”) to a selected participant under the Share Award Scheme. On 13 August 2026, Sunac Shine decided to terminate the Share Award Scheme. The termination of the Share Award Scheme will not affect any awards already granted and subject to vesting, but no new awards will be granted under such scheme following its termination.

(III) PARTICIPANTS OF THE SHARE AWARD SCHEME AND BASIS FOR DETERMINING THE ELIGIBILITY OF THE SELECTED PARTICIPANTS

Persons eligible to be awarded Shares under the Share Award Scheme include, without limitation, the key management of the Group such as directors, senior management and employees of the Group and other persons who made special contribution to the Group (each such person, an “Eligible Person”).

The advisory committee (the “Advisory Committee”) as appointed by Sunac Shine from time to time with the power and authority to administer and distribute Shares under the Share Award Scheme may, from time to time and at its sole discretion, select the Eligible Person(s) to be granted the Award(s) (the “Selected Participant(s)”) and determine the number of Shares to be awarded (the “Awarded Shares”), the vesting conditions (if any) and the vesting schedule of the Awarded Shares. The Selected Participant may accept the offer of the grant of the Awarded Shares in such manner as set out in the offer letter to be issued by the Advisory Committee to such Selected Participant in respect of the Award.

(IV) MAXIMUM NUMBER OF SHARES THAT CAN BE AWARDED

The maximum number of Shares that may be granted as Awards under the Share Award Scheme to the Eligible Persons shall be the number of Shares held or to be held by Sunac Shine on trust for the purpose of the Share Award Scheme from time to time. As at 30 June 2026, Sunac Shine held 396,703,311 Shares on trust for the Share Award Scheme, representing approximately 13.10% of the issued Shares. On 13 August 2026, Sunac Shine decided to terminate the Share Award Scheme, and no new awards will be granted under such scheme.

(V) GRANT AND ACCEPTANCE OF AWARDS

An offer letter setting out, among others, the number, vesting conditions (if any) and vesting schedule of the Awarded Shares to be granted will be issued by the Advisory Committee to each Selected Participant. The Selected Participant may accept the offer of the grant of the Awarded Shares in such manner as set out in the offer letter. Upon acceptance, the Selected Participant becomes a participant in the Share Award Scheme (the “Participant”). Pursuant to the Share Award Scheme, the Participant shall be entitled to receive the Awarded Shares held by Sunac Shine upon satisfaction of the vesting conditions set out in the offer letter. After satisfaction of the vesting conditions, Sunac Shine shall transfer the relevant Awarded Shares to the relevant Participant.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(VI) RIGHTS AND RESTRICTIONS

(i) Voting Rights

A Participant may not exercise the voting rights in respect of any Awarded Shares held on trust by Sunac Shine for the Participant before the vesting of such Awarded Shares to the Participant. For the period from the date of vesting of such Awarded Shares to the Participant until the date on which (a) such Participant has sold all of such Awarded Shares granted; or (b) such Participant no longer works in the Company or any subsidiary or related company of the Company (whichever is earlier) (both dates inclusive), such Participant shall irrevocably entrust Sunac Shine to exercise the voting rights of such Awarded Shares in which such Participant has interest.

Sunac Shine shall exercise its voting rights on the Shares which are held by it as trustee, including Shares which are not yet awarded to any Participants and Shares which are awarded but not yet vested and transferred to the relevant Participants in accordance with the terms of the Share Award Scheme according to any instructions or recommendations from Sunac China.

(ii) Entitlement to the Related Distribution

The Participant shall not be entitled to any dividends and other distributions declared and made in respect of any Shares held on trust (the “Related Distribution”) derived from the relevant Awarded Shares unless and until such Awarded Shares are vested to the Participant in accordance with the terms of the Share Award Scheme.

Any Related Distribution declared and made in respect of any Shares held by Sunac Shine on trust (including Shares which are not yet awarded to any Participants and Shares which are awarded but not yet vested to the relevant Participants in accordance with the terms of the Share Award Scheme) shall be treated and dealt with in such manner as the Advisory Committee may in its sole and absolute discretion determine.

(iii) Rights Attached to the Awarded Shares

Any Awarded Shares transferred to a Participant under the Share Award Scheme will be subject to the provisions of the articles of association of the Company and will rank pari passu with the fully paid Shares in issue on the date of the transfer or, if that date falls on a day on which the register of members of the Company is closed, the first day of the reopening of the register of members. Accordingly, the relevant Participant will be entitled to all dividends or other distributions declared or made on or after the date of the transfer or, if that date falls on a day when the register of members of the Company is closed, the first day of the reopening of the register of members.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(iv) No Assignment

The Awarded Shares granted pursuant to the Share Award Scheme are personal in nature. The Participants shall not sell, transfer, assign, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to the Awarded Shares, or any interest or benefits therein, before Sunac Shine transfers the relevant Awarded Shares to the Participants.

(v) Unvested Awarded Shares

An Award will lapse and will be canceled by the Advisory Committee if the Participant fails to satisfy the relevant vesting conditions. Any Award of which the Awarded Shares are not yet vested will also automatically lapse and be canceled by the Advisory Committee immediately where:

- (a) in the absolute opinion of the Advisory Committee, the Participant is not qualified for his/her position, does not perform his/her work as required by the Sunac China Group, or commits any illegal act, or otherwise has done anything which, in the conclusive opinion of the Advisory Committee, adversely affects his/her ability to perform his/her duties properly;
- (b) the Participant has resigned or is no longer an employee of the Sunac China Group due to the expiry of his/her employment contract;
- (c) the Participant has been convicted for any criminal offence involving his/her integrity or honesty;
- (d) the Participant commits serious misconduct and is punishable or subject to dismissal with immediate effect by the relevant member(s) of the Sunac China Group in accordance with the relevant employees' manual or the relevant laws and regulations; or
- (e) the Advisory Committee exercises its reserved right to cancel any Award due to other reasons or other relevant provisions of the Share Award Scheme.

If any Awarded Shares are unvested prior to the Participant's death, incapacitation or retirement and none of the aforementioned events has occurred in relation to such Participant which would cause the Award to lapse or to be canceled, unless the Advisory Committee shall at its sole discretion determine otherwise, such unvested Awarded Shares will be deemed to be vested on the day immediately prior to his/her death, incapacitation, or retirement.

(vi) Restrictions

No Award shall be made to any Selected Participants where any Director or any member of the Advisory Committee is in possession of inside information (as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) in relation to the Company or the Directors are prohibited from dealing in Shares pursuant to the applicable requirements under the Listing Rules or applicable laws.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Particulars of the outstanding share awards under the Share Award Scheme and their movements during the six months ended 30 June 2026 were as follows:

Selected Participants	Awarded on 24 September 2021	Awarded on 8 June 2022	Awarded on 31 May 2023	Awarded on 29 May 2024	Awarded on 11 December 2025	Number of unvested Shares as at 1 January 2026	Awarded during the Period	Vested during the Period	Lapsed during the Period	Number of unvested Shares as at 30 June 2026
Directors of the Company										
Huang Shuping	400,000	–	–	–	–	100,000	–	–	–	100,000
Cao Hongling	1,100,000	1,100,000	2,200,000	3,000,000	3,000,000	8,200,000	3,000,000	–	–	11,200,000
Yang Man	450,000	348,000	689,000	1,000,000	1,000,000	1,772,250	1,000,000	–	–	2,772,250
Huang Xiaou	–	–	–	–	500,000	500,000	1,000,000	–	–	1,500,000
Gao Xi	250,000	–	–	–	–	62,500	–	–	–	62,500
Sub-total	2,200,000	1,448,000	2,889,000	4,000,000	4,500,000	10,634,750	5,000,000	–	–	15,634,750
Other eligible participants	10,875,000	6,536,000	10,983,000	8,200,000	8,300,000	14,791,500	7,500,000	–	358,750	21,932,750
Total	13,075,000	7,984,000	13,872,000	12,200,000	12,800,000	25,426,250	12,500,000	–	358,750	37,567,500

SHARE OPTION SCHEME

On 13 August 2026, the Shareholders have approved and adopted a share option scheme. The maximum number of Shares which may be issued under the share option scheme is 299,946,900 Shares, representing no more than 10% of the total number of issued Shares (excluding treasury shares and Shares repurchased but not yet cancelled) as at the date of adoption of the share option scheme. As of the date of this report, no share options have been granted under the share option scheme.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

As at 30 June 2026, the interests and short positions of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO, Chapter 571 of the Laws of Hong Kong) which were required to be entered in the register kept by the Company pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code contained in Appendix C3 to the Listing Rules, are set out below:

(I) INTERESTS IN SHARES OF THE COMPANY (LONG POSITION)

Name of Director	Nature of interest	Number of Shares held	Approximate percentage of interest in the Company ^(Note)
Mr. Huang Shuping	Beneficial owner	1,764,092	0.06%
Ms. Cao Hongling	Beneficial owner	3,055,563	0.10%
Ms. Yang Man	Beneficial owner	459,250	0.02%
Mr. Gao Xi	Beneficial owner	855,500	0.03%
Ms. Wang Lihong	Beneficial owner	197,886	0.007%

Note: Calculated on the basis of 3,027,973,000 Shares in issue as at 30 June 2026.

(II) INTERESTS IN UNDERLYING SHARES OF THE COMPANY (LONG POSITION)

Name of Director	Nature of interest	Number of unvested Shares awarded under the Share Award Scheme	Approximate percentage of interest in the Company ^(Note)
Mr. Huang Shuping	Beneficial owner	100,000	0.003%
Ms. Cao Hongling	Beneficial owner	11,200,000	0.37%
Ms. Yang Man	Beneficial owner	2,772,250	0.09%
Mr. Huang Xiaou	Beneficial owner	1,500,000	0.05%
Mr. Gao Xi	Beneficial owner	62,500	0.002%

Note: Calculated on the basis of 3,027,973,000 Shares in issue as at 30 June 2026.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(III) INTERESTS IN SHARES OF THE COMPANY'S ASSOCIATED CORPORATIONS (LONG POSITION)

Name of Director	Name of associated corporation	Nature of interest	Number of ordinary shares held	Approximate percentage of interest ^(Note)
Mr. Huang Shuping	Sunac China	Beneficial owner	5,400,000	0.03 %
Ms. Cao Hongling	Sunac China	Beneficial owner	2,693,500	0.01 %
Ms. Yang Man	Sunac China	Beneficial owner	13,008	0.0001 %
Mr. Gao Xi	Sunac China	Beneficial owner	228,000	0.001 %
Ms. Wang Lihong	Sunac China	Beneficial owner	592,413	0.003 %

Note: Calculated on the basis of 19,965,499,620 Sunac China ordinary shares in issue as at 30 June 2026.

(IV) INTERESTS IN UNDERLYING SHARES OF THE COMPANY'S ASSOCIATED CORPORATIONS (LONG POSITION)

Name of Director	Name of associated corporation	Nature of interest	Number of unvested shares awarded under the Share Award Scheme	Approximate percentage of interest ^(Note)
Mr. Huang Shuping	Sunac China	Beneficial owner	950,000	0.005 %
Ms. Cao Hongling	Sunac China	Beneficial owner	625,000	0.003 %
Ms. Yang Man	Sunac China	Beneficial owner	38,500	0.0002 %
Mr. Huang Xiaouu	Sunac China	Beneficial owner	141,500	0.0007 %
Mr. Gao Xi	Sunac China	Beneficial owner	712,000	0.004 %

Note: Calculated on the basis of 19,965,499,620 Sunac China ordinary shares in issue as at 30 June 2026.

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

CORPORATE GOVERNANCE AND OTHER INFORMATION

INTERESTS OF SUBSTANTIAL SHAREHOLDERS (LONG POSITION)

To the knowledge of the Company, as at 30 June 2026, the following persons (other than the Directors or chief executives of the Company) had an interest of 5% or more in the Shares or underlying Shares of the Company which were required to be entered in the register kept by the Company pursuant to section 336 of the SFO:

Name of Shareholder	Nature of interest/Capacity	Number of Shares held ⁽¹⁾	Approximate percentage of interest in the Company ⁽²⁾
Sunac China ⁽³⁾	Interest of controlled corporation	1,487,347,827 (L)	49.12%
Sunac Services Investment Limited ⁽³⁾	Beneficial owner	1,090,644,516 (L)	36.02%
Sunac Shine ⁽³⁾	Trustee	396,703,311 (L)	13.10%

Notes:

(1) The letter "L" denotes a long position in the Shares.

(2) Calculated on the basis of 3,027,973,000 Shares in issue as at 30 June 2026.

(3) Sunac Services Investment Limited is wholly-owned by Sunac China. Sunac Shine is wholly-owned by Sunac China and acts as the trustee of the Sunac Services Share Award Scheme Trust, which is set up for the purpose of a share award scheme adopted on 11 June 2021. By virtue of the SFO, Sunac China is deemed to be interested in the Shares held by Sunac Services Investment Limited and Sunac Shine.

Save as disclosed in this report, the Directors are not aware of any person (other than the Directors or chief executives of the Company) who had interests or short positions in the Shares or underlying Shares which were required to be entered in the register kept by the Company pursuant to section 336 of the SFO.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

On 19 January 2026, certain subsidiaries of the Company entered into a series of Debt Settlement Agreements with certain companies of Sunac Group, pursuant to which, the Sunac Group will transfer certain car parking spaces or properties to the Group in order to settle the equivalent outstanding amount payable by the Sunac Group to the Group. The total consideration for the Debt Settlement Agreements is approximately RMB26.2614 million. For details, please refer to the announcement of the Company dated 19 January 2026.

CORPORATE GOVERNANCE AND OTHER INFORMATION

As at 30 June 2026, the Group held financial assets (including current and non-current) at fair value through profit or loss of approximately RMB588 million, which mainly represented equity investments in an unlisted company and certain wealth management products with medium-low risks, and no single investment accounted for 5% or more of the Group's total assets.

Save as disclosed in this report, the Group did not hold other significant investments, or conduct material acquisitions or disposals of subsidiaries, associates or joint ventures during the six months ended 30 June 2026.

INVESTMENT POLICY AND OBJECTIVES

The financial assets in which the Company invests are primarily medium- and low-risk wealth management products, and the objective of such investments is to efficiently utilize short-term idle funds to enhance the fund utilization efficiency while ensuring fund liquidity and principal safety, and generate certain investment returns. The Company does not participate in investments in high-risk or high-leverage financial products, nor does it engage in any speculative transactions.

RISK MANAGEMENT AND CONTROL MEASURES

To control transaction risk, the Company only selects financial institutions with good reputations and stable financial positions as counterparties, and has established internal investment management requirements, under which each investment is subject to a pre-investment assessment including but not limited to the investment amount for a single product, the product term, and the minimum credit rating requirements (if any) of the issuing institution. Furthermore, the Company closely monitors the liquidity of investment products to ensure that the maturity dates of the investments align with cash flow needs, thereby avoiding any impact on daily working capital.

APPROVAL AND SUPERVISION MECHANISMS

All investments in wealth management products must be reported to the Board or its authorized management for approval. The Board or its authorized management is responsible for formulating the overall investment policy and periodically reviewing the performance and compliance of the investment portfolio. Should any significant investments be proposed in the future, the Board or its authorized management will conduct pre-investment assessments, approvals and ongoing monitoring to ensure compliance with the Listing Rules and internal risk management requirements.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As stated in the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated 9 November 2020, and the announcements of the Company dated 13 December 2020, 8 November 2021, 29 August 2022, 1 November 2024 and 25 August 2025, the Company intends to utilise the net proceeds raised from the listing of the Shares (the "Listing"), among other things, to pursue strategic investment and acquisition opportunities with companies engaged in property management and/or community operations.

Save as disclosed in this report, there were no other plans authorised by the Board for material investments or additions of capital assets as at 30 June 2026.

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

CORPORATE GOVERNANCE AND OTHER INFORMATION

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

For the six months ended 30 June 2026, the Company repurchased an aggregate of 51,271,000 ordinary shares on the open market at a total consideration of approximately HK\$48,801,800. As of 30 June 2026 and the date of this report, 26,871,000 of such repurchased ordinary shares have been cancelled, and 24,400,000 Shares remain uncanceled. As at 30 June 2026, the Company did not hold any treasury shares.

Month of Shares repurchased	Total number of Shares repurchased	Highest price paid per Share (HK\$)	Lowest price paid per Share (HK\$)	Total consideration paid (HK\$)
January	5,800,000	1.43	1.38	8,148,050
March	10,000,000	0.97	0.83	8,972,430
April	7,879,000	0.97	0.85	7,144,490
May	4,992,000	1.17	0.92	5,309,070
June	22,600,000	0.98	0.70	19,227,760

From 2 July 2026 to the date of this report, the Company has repurchased an aggregate of 4,104,000 ordinary shares on the open market at a total consideration of approximately HK\$3,292,630, and as of the date of this report, such repurchased ordinary shares have not been cancelled.

Based on confidence in the Company's future development prospects and recognition of the Company's value, the Board believes that under current market conditions, repurchasing Shares will help safeguard the interests of all Shareholders, enhance investor confidence, stabilise and increase the Company's value, and is in the overall interests of the Company and the Shareholders.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the six months ended 30 June 2026.

SUBSEQUENT EVENTS

After the reporting period and as of the date of this report, there was no other significant event that had an effect on the Group.

EMPLOYEE AND REMUNERATION POLICY

As at 30 June 2026, the Group had 22,139 (as at 31 December 2025: 24,042) employees. For the six months ended 30 June 2026, the staff cost of the Group was approximately RMB1.25 billion (for the six months ended 30 June 2025: approximately RMB1.40 billion). The Group's employee remuneration policy is determined by reference to factors such as remuneration standard of the local market, the overall remuneration standard in the industry, inflation level, corporate operating efficiency and employee performance. The Board will review the remuneration policy from time to time. The Group conducts annual performance appraisals for its employees, the results of which are applied in annual salary and promotion assessment. Social insurance is paid by the Group for its employees in mainland China in accordance with the relevant PRC regulations.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Group regularly formulates comprehensive internal staff training programmes for its employees to improve and enhance their professional and service skills, as well as to provide them with the knowledge of industry quality standards and workplace safety standards. Orientation trainings are provided to new hires, introducing them to the Group's corporate culture, coaching them on the Group's teamwork model, and teaching them service standards and procedures. The Group also assigns experienced managers to serve as mentors to newly-hired employees, who provide tailored coaching and guidance. Training courses and regular seminars on various aspects of its business operations, such as quality control and customer relationship management, are provided to the Group's employees. In addition, the Group has established occupational safety and sanitation systems, implemented the ISO45001:2018 Occupational Health and Safety Management System, and provided employees with workplace safety trainings on a regular basis to increase their awareness of work safety issues.

CONSTITUTIONAL DOCUMENTS

The latest version of the second amended and restated memorandum of association and the third amended and restated articles of association of the Company is available for inspection at the website of the Company (www.sunacservice.com) and the website of the Stock Exchange (www.hkexnews.hk).

There was no change to the constitutional documents of the Company during the six months ended 30 June 2026.

USE OF PROCEEDS FROM THE LISTING

The Shares of the Company were listed on the Main Board of the Stock Exchange on 19 November 2020 (the "Listing Date") by way of global offering, 690,000,000 Shares were issued, and a total of 793,500,000 Shares were issued after the over-allotment options were fully exercised, raising net proceeds (after deducting underwriting commissions and other related listing expenses) of approximately HK\$9,042 million in total.

As disclosed in the announcements of the Company dated 8 November 2021, 29 August 2022, 1 November 2024 and 25 August 2025, the Board resolved to change the use of the unutilised net proceeds from the Listing. On 8 November 2021, the Board resolved to change the intended use of the net proceeds from the Listing to allocate more net proceeds to acquisition opportunities with companies engaged in property management and related services and community operations. On 29 August 2022, the Board resolved to change the intended use of the unutilised net proceeds from the Listing to allocate part of the net proceeds to uses such as technology, community living services business and working capital in view of the change in the current property management industry and the limited availability of high-quality acquisition and merger targets with appropriate valuations, and to improve the utilisation efficiency of capital and enhance the endogenous development ability of the Group. On 1 November 2024, the Board resolved that, to the extent that the net proceeds from the Listing were not immediately applied to the disclosed purposes, provided that the expected demand for the use of funds was ensured, the Group might deposit the net proceeds from the Listing as demand deposits or fixed-term deposits in licensed banks or financial institutions or purchase wealth management products with high security and good liquidity and a period not exceeding twelve months, so as to improve the utilisation efficiency of the Group's funds and its return. On 25 August 2025, given the current overall economic landscape, the circumstances within the property management sector, coupled with the Company's development strategy and the limited availability of high-quality investment and M&A targets with appropriate valuations, the Board resolved to change the intended use and allocation of the unutilised net proceeds from the Listing to moderately reduce the proceeds intended to be used for investment and M&A and allocate the reduced proceeds to the community living services business, working capital and general corporate purposes, and change the expected timetable of full utilisation of the balance. Further details of the breakdown and description of the net proceeds are set out in the announcements of the Company dated 8 November 2021, 29 August 2022, 1 November 2024, 25 August 2025 and 25 August 2026.

CORPORATE GOVERNANCE AND OTHER INFORMATION

As of 30 June 2026, the net proceeds from the Listing which were utilised according to the plan of the Company previously disclosed were set out below:

Use of net proceeds	Revised allocation of the net proceeds as set out in the announcement dated 25 August 2025		Revised amount of net proceeds unutilised as at 31 December 2025	Actual amount of net proceeds utilised during the Period	Unutilised net proceeds as at 30 June 2026	Expected timetable of full utilisation of the balance ^(Note)
	(HK\$ million)	(Approximate percentage)	(HK\$ million)	(HK\$ million)	(HK\$ million)	
(a) Strategic investment and acquisition opportunities with companies engaged in property management and/or community operations	4,204	46%	638	0	638	On or before 31 December 2028
(b) Upgrading the Group's systems for smart management services and for the development of the smart communities	768	9%	261	49	212	On or before 31 December 2028
(c) Further developing the community value-added services of the Group	1,840	20%	174	112	62	On or before 31 December 2028
(d) Working capital and general corporate purposes	2,230	25%	699	274	425	On or before 31 December 2028
– Remuneration for relevant employees	–	–	639	214	425	
– Office expenses (including office rental and service fees for professional parties)	–	–	60	60	0	
Total	9,042	100%	1,772	435	1,337	

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

CORPORATE GOVERNANCE AND OTHER INFORMATION

AUDIT COMMITTEE AND REVIEW OF THE INTERIM RESULTS

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

The Audit Committee has reviewed the accounting principles and practices adopted by the Company and discussed matters concerning the audit, internal control and risk management systems and financial reporting, including reviewing the Group’s unaudited interim results for the six months ended 30 June 2026.

The Group’s unaudited interim results for the six months ended 30 June 2026 have been reviewed by the Company’s independent auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

Sunac Services Holdings Limited
Huang Shuping
Chairman of the Board

Hong Kong, 25 August 2026

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION



To the Board of Directors of Sunac Services Holdings Limited
(incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 29 to 64, which comprises the interim condensed consolidated statement of financial position of Sunac Services Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2026 and the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the HKICPA. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” as issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the HKICPA.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 25 August 2026

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Note	Six months ended 30 June	
		2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	7	3,221,917	3,546,605
Cost of sales	8	(2,554,756)	(2,775,067)
Gross profit		667,161	771,538
Administrative expenses	8	(194,756)	(257,267)
Selling and marketing expenses	8	(20,885)	(21,838)
Net impairment losses on financial assets	8	(307,507)	(345,951)
Other income	9	8,481	20,753
Other gains – net	10	10,905	16,524
Operating profit		163,399	183,759
Finance income		11,464	14,098
Finance costs		(1,815)	(2,841)
Finance income – net	11	9,649	11,257
Share of post-tax profit/(loss) of associates and joint ventures accounted for using the equity method, net	18	4,608	(6,054)
Profit before income tax		177,656	188,962
Income tax expense	12	(36,824)	(47,456)
Profit for the period		140,832	141,506
Other comprehensive income for the period		–	–
Total comprehensive income for the period		140,832	141,506
Total comprehensive income for the period attributable to:			
– Owners of the Company		124,227	121,866
– Non-controlling interests		16,605	19,640
		140,832	141,506
Earnings per share (expressed in RMB per share) (unaudited)			
– Basic earnings per share	13	0.04	0.04
– Diluted earnings per share	13	0.04	0.04

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Note	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	14	128,601	119,970
Right-of-use assets	15	45,975	59,577
Investment properties	16	90,107	90,485
Intangible assets	17	762,892	793,148
Deferred tax assets	26	1,138,058	1,071,458
Investments accounted for using the equity method	18	30,977	29,000
Financial assets at fair value through profit or loss ("FVPL")	22	179,711	181,741
Other receivables	19	41,908	39,407
Prepayments	20	1,032	1,611
		2,419,261	2,386,397
Current assets			
Inventories		30,922	33,592
Trade and other receivables	19	3,506,038	3,337,673
Prepayments	20	41,101	33,175
Cash and cash equivalents	21	2,826,899	3,787,525
Restricted cash		23,085	23,670
Bank deposits with the maturity over three months	21	28,000	28,000
Financial assets at FVPL	22	407,963	200,772
Other current assets		8,382	2,561
		6,872,390	7,446,968
Total assets		9,291,651	9,833,365
EQUITY AND LIABILITIES			
Equity attributable to the owners of the Company			
Share capital	23	25,394	25,645
Treasury shares	24	(17,533)	–
Reserves	24	5,043,761	5,090,083
Retained earnings		163,689	40,658
		5,215,311	5,156,386
Non-controlling interests		90,555	75,750
Total equity		5,305,866	5,232,136

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Note	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
LIABILITIES			
Non-current liabilities			
Lease liabilities	15	73,298	81,448
Deferred tax liabilities	26	19,546	22,562
		92,844	104,010
Current liabilities			
Lease liabilities	15	17,355	19,192
Trade and other payables	25	2,051,255	2,301,142
Contract liabilities	7	1,491,978	1,821,594
Current income tax liabilities		332,353	355,291
		3,892,941	4,497,219
Total liabilities		3,985,785	4,601,229
Total equity and liabilities		9,291,651	9,833,365

The above interim condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

The interim condensed consolidated financial information on pages 29 to 64 was approved by the Board of Directors on 25 August 2026 and was signed on its behalf.

Cao Hongling
Director

Yang Man
Director

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

Note	Unaudited						
	Attributable to the owners of the Company						Total Equity RMB'000
	Share capital RMB'000	Treasury shares RMB'000	Reserves RMB'000	Retained earnings RMB'000	Subtotal RMB'000	Non-controlling interests RMB'000	
Balance at 1 January 2026	25,645	–	5,090,083	40,658	5,156,386	75,750	5,232,136
Total comprehensive income for the period ended 30 June 2026	–	–	–	124,227	124,227	16,605	140,832
Transactions with owners, recognised directly in equity							
Dividends paid to the shareholders of the Company	–	–	(28,958)	–	(28,958)	–	(28,958)
Share award scheme-value of employee services	–	–	8,500	–	8,500	–	8,500
Appropriation of statutory reserves	–	–	1,196	(1,196)	–	–	–
Repurchase of shares	–	(44,634)	–	–	(44,634)	–	(44,634)
Deregistration of repurchased shares	(251)	27,101	(27,060)	–	(210)	–	(210)
Dividends paid to non-controlling interests	–	–	–	–	–	(1,800)	(1,800)
Balance at 30 June 2026	25,394	(17,533)	5,043,761	163,689	5,215,311	90,555	5,305,866

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

Unaudited

	Attributable to the owners of the Company				Non-controlling interests	Total Equity
	Share capital	Reserves	(Accumulated losses)	Subtotal		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2025	25,645	5,290,650	(151,163)	5,165,132	154,244	5,319,376
Total comprehensive income for the period ended 30 June 2025	–	–	121,866	121,866	19,640	141,506
Transactions with owners, recognised directly in equity						
Dividends paid to the shareholders of the Company	–	(438,069)	–	(438,069)	–	(438,069)
Changes in non-controlling shareholders' put option	–	218,296	–	218,296	–	218,296
Share award scheme-value of employee services	–	8,419	–	8,419	–	8,419
Appropriation of statutory reserves	–	3,585	(3,585)	–	–	–
Dividends paid to non-controlling interests	–	–	–	–	(13,702)	(13,702)
Balance at 30 June 2025	25,645	5,082,881	(32,882)	5,075,644	160,182	5,235,826

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Note	Six months ended 30 June	
		2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Cash flows from operating activities			
Cash used in operations		(527,932)	(596,106)
Income tax paid		(129,378)	(95,025)
Net cash used in operating activities		(657,310)	(691,131)
Cash flows from investing activities			
Proceeds from settlement of financial assets at FVPL		2,081,878	3,070,837
Payments for bank deposits with the maturity over three months		(18,000)	(28,000)
Proceeds from settlement of bank deposits with the maturity over three months		18,000	15,000
Proceeds from disposal of property, plant and equipment ("PPE")		3,444	1,455
Proceeds from disposal of investment properties		4,210	–
Payments for financial assets at FVPL		(2,274,000)	(3,854,100)
Payments for purchases of PPE and intangible assets		(37,862)	(31,477)
Interest received		2,902	3,046
Principal elements of lease receivables		1,591	1,566
Proceeds from disposal of a joint venture		1,470	–
Dividend received from joint ventures		1,161	2,008
Net cash used in investing activities		(215,206)	(819,665)
Cash flows from financing activities			
Repurchase of shares including prepayments		(43,612)	–
Dividends paid to Company's shareholders		(28,958)	(438,069)
Dividends paid to non-controlling interests		(1,800)	(13,702)
Interest paid		(1,815)	(2,841)
Principal elements of lease payments		(10,133)	(11,169)
Net cash used in financing activities		(86,318)	(465,781)
Net decrease in cash and cash equivalents		(958,834)	(1,976,577)
Cash and cash equivalents at beginning of the period		3,787,525	4,027,790
Effects of exchange rate changes on cash and cash equivalents		(1,792)	(2,746)
Cash and cash equivalents at end of the period	21	2,826,899	2,048,467

The above interim condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

1 General information

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

The Company is an investment company. The Company and its subsidiaries (the “Group”) are principally engaged in the provision of property management and operational services, community living services and value-added services to non-property owners in the People’s Republic of China (the “PRC”).

The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

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

This interim condensed consolidated financial information is presented in Renminbi (“RMB”), unless otherwise stated.

2 Basis of presentation

This interim condensed consolidated financial report for the half-year reporting period ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standards (“HKAS”) 34 *Interim Financial Reporting*. The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2025 and any public announcement made by the Company during the interim reporting period.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

3 Accounting policy information

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

(A) NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

The Group has applied the following amendment for the first time for its annual reporting period commencing on 1 January 2026:

Amendments to the Classification and Measurement of Financial Instruments – Amendments to HKFRS 9 and HKFRS 7
Contracts Referencing Nature-dependent Electricity – Amendments to HKFRS 9 and HKFRS 7

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

(B) NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED BY THE GROUP

Certain new or amended accounting standards and annual improvements have been published but are not mandatory for 2026 interim reporting period and have not been early adopted by the Group. Except for HKFRS 18, other standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

	Effective for the financial year beginning on or after
<i>HKFRS 18, 'Presentation and Disclosure in Financial Statements' and HK Interpretation 5 – Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause</i>	1 January 2027
<i>HKFRS 19, 'Subsidiaries without Public Accountability: Disclosures' and subsequent amendments in October 2025</i>	1 January 2027

For the Group's assessment of the impact of HKFRS 18, please refer to annual report for the year ended 31 December 2025, and HKFRS 19 is not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

4 Estimates

The preparation of the interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements and estimations made by management were the same as those that applied to the consolidated financial statements for the year ended 31 December 2025.

5 Financial risk management

5.1 FINANCIAL RISK FACTORS

The Group's activities expose it to a variety of financial risks: foreign exchange risk, credit risk and liquidity risk.

The interim condensed consolidated financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2025.

There have been no significant changes in the risk or in any risk management policies since 31 December 2025.

5.2 CREDIT RISK

Impairment of financial assets

Trade receivables

For trade receivables from third parties, those do not share same risk characteristics with others, management assesses their expected credit losses ("ECL") on an individual basis. For those that share same risk characteristics with others, the ECL was estimated using a provision matrix based on the history ageing profile of these receivables over a period of 5 years before 30 June 2026 or 1 January 2026 respectively and the corresponding historical credit losses experience within this period.

For trade receivables from related parties, the calculation of ECL is determined by referencing the credit rating statistics with a 100% probability of default for each pool with similar credit risk characteristics, and an assessment of forward-looking information, including general economic conditions.

The historical loss rates were adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the trade receivables.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

5 Financial risk management (Continued)

5.2 CREDIT RISK (CONTINUED)

Impairment of financial assets (Continued)

Trade receivables (Continued)

On that basis, the loss allowance as at 30 June 2026 and 31 December 2025 was determined as follows for trade receivables:

Individual basis

	Gross carrying amount RMB'000	Expected loss rate	Loss allowance RMB'000	Net carrying amount RMB'000
Third parties				
At 30 June 2026				
Receivables from individual property owners	851,343	100%	851,343	–
Receivables from individual non-property owners	217,316	65%	141,782	75,534
At 31 December 2025				
Receivables from individual property owners	636,246	100%	636,246	–
Receivables from individual non-property owners	194,461	71%	138,092	56,369

Provision matrix

	Ageing analysis						Total RMB'000
	Within 1 year RMB'000	1–2 years RMB'000	2–3 years RMB'000	3–4 years RMB'000	4–5 years RMB'000	Over 5 years RMB'000	
Third parties							
At 30 June 2026							
Expected loss rate	5%	18%	41%	62%	91%	100%	14%
Gross carrying amount	2,119,078	515,430	192,168	99,024	47,999	37,769	3,011,468
Loss allowance	104,217	92,305	79,697	61,256	43,493	37,769	418,737
At 31 December 2025							
Expected loss rate	5%	19%	37%	64%	82%	100%	14%
Gross carrying amount	1,869,334	583,530	154,091	101,223	43,879	36,825	2,788,882
Loss allowance	100,251	108,166	56,885	64,959	35,899	36,825	402,985

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

5 Financial risk management (Continued)

5.2 CREDIT RISK (CONTINUED)

Impairment of financial assets (Continued)

Trade receivables (Continued)

Provision matrix (Continued)

	Total RMB'000
<i>Related parties</i>	
At 30 June 2026	
<i>Guaranteed</i>	
Expected loss rate	–
Gross carrying amount	218,426
Loss allowance	–
<i>Not guaranteed</i>	
Expected loss rate	93%
Gross carrying amount	2,976,016
Loss allowance	2,776,346
Gross carrying amount total	3,194,442
Loss allowance total	2,776,346
At 31 December 2025	
<i>Guaranteed</i>	
Expected loss rate	–
Gross carrying amount	318,370
Loss allowance	–
<i>Not guaranteed</i>	
Expected loss rate	94%
Gross carrying amount	2,895,553
Loss allowance	2,720,139
Gross carrying amount total	3,213,923
Loss allowance total	2,720,139

Accounts receivables from related parties are guaranteed by certain assets held by the fellow subsidiaries under Sunac China and associates and joint ventures of Sunac China (the “Sunac China Group”).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

5 Financial risk management (Continued)

5.2 CREDIT RISK (CONTINUED)

Impairment of financial assets (Continued)

Other receivables (excluding amounts due from related parties)

Other receivables (excluding amounts due from related parties) mainly included payments on behalf of property owners, lease receivables, deposits and others. Management considered these receivables to be low credit risk, when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. In calculating the ECL rates, the Group considers historical loss rates for other receivables, and adjusts for forward-looking macroeconomic data. On that basis, the loss allowance for other receivables (excluding amounts due from related parties) was limited to 12 months expected losses, which was RMB11.01 million as at 30 June 2026 (31 December 2025: RMB11.15 million).

Amounts due from related parties

The Group entered into agency services agreements about sales of car park spaces with the Sunac China Group (the "Car Park Agency Agreements").

Amounts due from related parties mainly included deposits paid for Car Park Agency Agreements and others. As at 30 June 2026, the Group has assessed that the expected loss rate for amounts due from fellow subsidiaries and related companies were still at stage 3 given that the reasonable and supportive current and forward-looking information which indicates the financial assets were credit-impaired in credit risk.

The loss allowance as at 30 June 2026 and 31 December 2025 was determined as follows for amounts due from related parties:

	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Total RMB'000
Other receivables				
At 30 June 2026				
Expected loss rate	–	–	72%	72%
Gross carrying amount	–	–	625,902	625,902
Loss allowance	–	–	451,380	451,380
At 31 December 2025				
Expected loss rate	–	–	69%	69%
Gross carrying amount	–	–	636,717	636,717
Loss allowance	–	–	440,279	440,279

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

5 Financial risk management (Continued)

5.2 CREDIT RISK (CONTINUED)

Impairment of financial assets (Continued)

The loss allowances for trade and other receivables as at 30 June reconcile to the opening loss allowances as follows:

	Six months ended 30 June 2026		
	Third parties RMB'000	Related parties RMB'000	Total RMB'000
Opening loss allowance at 1 January	1,188,468	3,160,418	4,348,886
Increase in loss allowance for trade receivables recognised in profit or loss during the period	235,688	57,812	293,500
(Decrease)/increase in loss allowance for other receivables recognised in profit or loss during the period	(138)	14,155	14,017
Receivables written off during the period through settlement of partial receivables	(1,149)	(4,659)	(5,808)
Closing loss allowance at 30 June	1,422,869	3,227,726	4,650,595

	Six months ended 30 June 2025		
	Third parties RMB'000	Related parties RMB'000	Total RMB'000
Opening loss allowance at 1 January	796,147	3,158,677	3,954,824
Increase in loss allowance for trade receivables recognised in profit or loss during the period	278,006	43,972	321,978
(Decrease)/increase in loss allowance for other receivables recognised in profit or loss during the period	(11,133)	36,116	24,983
Receivables written off during the period through settlement of partial receivables	–	(8,272)	(8,272)
Closing loss allowance at 30 June	1,063,020	3,230,493	4,293,513

Trade and other receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Impairment losses on trade and other receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

5 Financial risk management (Continued)

5.2 CREDIT RISK (CONTINUED)

Impairment of financial assets (Continued)

During the period, the following impairment losses or reversals were recognised in profit or loss in relation to impaired financial assets:

	Six months ended 30 June 2026		
	Third parties RMB'000	Related parties RMB'000	Total RMB'000
Impairment losses			
Movement in loss allowance for trade receivables	235,688	57,812	293,500
Movement in loss allowance for other receivables	(138)	14,155	14,017
Reversal of previous written off	(10)	–	(10)
Net impairment losses on financial assets	235,540	71,967	307,507

	Six months ended 30 June 2025		
	Third parties RMB'000	Related parties RMB'000	Total RMB'000
Impairment losses			
Movement in loss allowance for trade receivables	278,006	43,972	321,978
Movement in loss allowance for other receivables	(11,133)	36,116	24,983
Reversal of previous written off	(1,010)	–	(1,010)
Net impairment losses on financial assets	265,863	80,088	345,951

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

5 Financial risk management (Continued)

5.3 FAIR VALUE ESTIMATION

(a) Financial assets

This note provides an update on the judgements and estimates made by the Group in determining the fair values of the financial instruments since the last annual financial report.

(i) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The following table presents the Group's financial assets and financial liabilities measured and recognised at fair value at 30 June 2026 and 31 December 2025 on a recurring basis:

Recurring fair value measurements At 30 June 2026		Note	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets						
Financial assets at FVPL		22	–	–	587,674	587,674
Recurring fair value measurements At 31 December 2025		Note	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets						
Financial assets at FVPL		22	–	–	382,513	382,513

During the six months ended 30 June 2026, there were no transfers between different levels for recurring fair value measurements during the period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price already incorporates the market's assumptions with respect to changes in economic climate such as rising interest rates and inflation, as well as changes due to ESG risk.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value of an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and wealth management products.

The Group did not change any valuation techniques in determining the level 3 fair values.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

5 Financial risk management (Continued)

5.3 FAIR VALUE ESTIMATION (CONTINUED)

(a) Financial assets (Continued)

(ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- market approach, equity allocation model and option pricing method with observable and unobservable inputs, including risk-free rate, expected volatility and etc.

As at 30 June 2026 and 31 December 2025, the Group's level 3 instruments included interest in an unlisted company and wealth management products.

(iii) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the period ended 30 June 2026.

	Financial assets at FVPL		
	Wealth management products RMB'000	Interest in an unlisted company RMB'000	Total RMB'000
Opening balance at 1 January 2026	200,772	181,741	382,513
Addition	2,274,000	–	2,274,000
Disposal	(2,081,878)	–	(2,081,878)
Gains/(losses) recognised in other losses – net*	15,069	(2,030)	13,039
Closing balance at 30 June 2026	407,963	179,711	587,674
*includes unrealised gains/(losses) recognised in profit or loss attributable to balances held at the end of the reporting period	7,191	(2,030)	5,161

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

5 Financial risk management (Continued)

5.3 FAIR VALUE ESTIMATION (CONTINUED)

(a) Financial assets (Continued)

(iv) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements (see (ii) above for the valuation techniques adopted):

Description	Fair value at		Valuation method	Significant unobservable inputs	Range of significant unobservable inputs	
	30 June 2026 RMB'000	31 December 2025 RMB'000			2026	2025
Interest in an unlisted company	179,711	181,741	Market approach, equity allocation model and option pricing method	Expected volatility rate	42.08%	49.48%
Wealth management products	407,963	200,772	Net assets value	Not applicable	-	-

Relationships of unobservable inputs to fair value are as follows:

- The higher rate of expected volatility, the lower fair value.

(v) Valuation processes

The management performs the valuation of financial instruments for financial reporting purposes. Unobservable inputs including expected volatility rate are assessed by the independent valuers based on current market assessments of the time value of money and the risk specific to the asset being valued.

(vi) Fair values of other financial instruments (unrecognised)

The Group also has a number of financial instruments which are not measured at fair value in the balance sheet. For the majority of these instruments, the fair values are not materially different to their carrying amounts, since the interest receivable/payable is either close to current market rates or the instruments are short-term in nature.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

5 Financial risk management (Continued)

5.3 FAIR VALUE ESTIMATION (CONTINUED)

(b) Non-financial assets

This note provides an update on the judgements and estimates made by the Group in determining the fair values of the non-financial instruments since the last annual financial report.

(i) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its non-financial instruments into the three levels prescribed under the applicable accounting standards. An explanation of each level follows underneath the table.

At 30 June 2026	Note	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Investment properties	16	–	–	90,107	90,107

At 31 December 2025	Note	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Investment properties	16	–	–	90,485	90,485

During the period ended 30 June 2026, there were no reclassifications of non-financial assets between different levels for recurring fair value measurements.

(ii) Valuation techniques used to determine level 3 fair values

At the end of each reporting period, the management of the Group update their assessment of the fair value of the investment properties, taking into account the most recent independent valuations. The management determine a property's value within a range of reasonable fair value estimates.

Right of use of car park

The fair value of the right of use of car park is determined using the Market Approach. This approach is adopted as there is an active secondary market where such right of use of car park frequently bundled and traded in a manner substantially similar to the disposal of physical assets. The valuation is based on the market sales prices of comparable right of use of car park recently transacted in the same locations.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

5 Financial risk management (Continued)

5.3 FAIR VALUE ESTIMATION (CONTINUED)

(b) Non-financial assets (Continued)

(iii) Fair value measurements using significant unobservable inputs (level 3)

See note 16 for further information about the changes in level 3 items for the period ended 30 June 2026.

(iv) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements (see (ii) above for the valuation techniques adopted):

Description	Fair value at		Valuation method	Significant unobservable inputs	Range of significant unobservable inputs	
	30 June 2026 RMB'000	31 December 2025 RMB'000			2026	2025
Right of use of car park spaces	88,667	89,045	Market approach	Market Unit Price Discount for Lack of Marketability ("DLOM")	RMB25,000 ~ RMB200,000 per unit 30% – 80%	RMB25,000 ~ RMB110,000 per unit 30% – 50%

Relationships of unobservable inputs to fair value are as follows:

- The higher market unit price, the higher fair value;
- The higher DLOM, the lower fair value.

(v) Valuation processes

As at 30 June 2026, management performs valuations for its investment properties including right of use of car park spaces.

The main level 3 inputs used by the Group are derived and evaluated as follows:

Right of use of car park – market unit price is the prevailing transaction price per car park unit in the same place and the DLOM is a specific discount which is applied to reflect the inherent illiquidity of the assets.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

6 Segment information

Management has determined the operating segments based on the reports reviewed by the Chief Operating Decision Makers ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors of the Company.

During the six months ended 30 June 2026, the Group is principally engaged in the provision of property management and operational services, community living services and value-added services to non-property owners in the PRC. Management reviews the operating results of the business by region in the PRC, but these operating segments are aggregated into a single operating segment as the nature of services, the type of customers for services, the methods used to provide their services and the nature of regulatory environment are the same in different regions.

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

As at 30 June 2026 and 31 December 2025, nearly 100% of the non-current assets of the Group were located in the PRC.

7 Revenue of services

Revenue mainly comprises of proceeds from property management and operational services, community living services and value-added services to non-property owners. An analysis of the Group's revenue by category for the six months ended 30 June 2026 and 2025 was as follows:

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Recognised over time		
– Property management and operational services	3,034,494	3,292,305
– Community living services	84,872	106,103
– Value-added services to non-property owners	21,744	40,870
	3,141,110	3,439,278
Recognised at a point in time		
– Community living services	78,739	104,629
– Value-added services to non-property owners	2,068	2,698
	80,807	107,327
	3,221,917	3,546,605

The Group had a large number of customers and none of whom contributed 10% or more of the Group's revenue for the six months ended 30 June 2026 and 2025.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

7 Revenue of services (Continued)

(A) CONTRACT LIABILITIES

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

	30 June 2026 RMB'000	31 December 2025 RMB'000
Contract liabilities		
– Third parties	1,488,747	1,809,010
– Related parties	3,231	12,584
	1,491,978	1,821,594

8 Expenses by nature

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

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Employee benefit expenses	1,251,441	1,399,477
Security, maintenance, cleaning and greening costs	1,101,338	1,202,963
Net impairment losses on financial assets	307,507	345,951
Utilities	168,277	175,973
Depreciation and amortisation	62,469	70,724
Consumable materials cost	52,606	61,891
Cost of goods sold	27,284	26,752
Travelling and entertainment expenses	18,375	25,667
Office and communication expenses	18,302	13,948
Others	70,305	76,777
	3,077,904	3,400,123

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

9 Other income

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Government grants (a)	8,225	20,461
Interest income	256	292
	8,481	20,753

(a) Government grants mainly represented financial support funds from government. There are no unfulfilled conditions or other contingencies attached to these grants.

DEFERRAL AND PRESENTATION OF GOVERNMENT GRANTS

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

10 Other gains – net

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Fair value gains from financial assets at FVPL	13,039	16,660
Fair value losses on investment properties	(1,651)	(5,389)
Gains/(losses) on disposal of right-of-use assets in the sublease	1,221	(183)
Losses on termination of a sublease contract	(1,576)	(593)
Exchange losses	(1,792)	(2,746)
Others	1,664	8,775
	10,905	16,524

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

11 Finance income – net

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Finance cost		
Interest expenses for lease liabilities	(1,815)	(2,841)
Finance income		
Interest income on bank deposits	8,901	11,223
Interest income for lease receivables	1,078	1,388
Others	1,485	1,487
	11,464	14,098
	9,649	11,257

12 Income tax expense

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Current income tax	106,440	126,253
Deferred income tax	(69,616)	(78,797)
	36,824	47,456

(I) CAYMAN ISLAND INCOME TAX

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act of Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

(II) HONG KONG PROFIT TAX AND BVI INCOME TAX

No provision for Hong Kong profits tax was made as the Group did not derive any income subject to Hong Kong profits tax during the period ended 30 June 2026.

Pursuant to the applicable rules and regulations of the British Virgin Islands ("BVI"), the BVI subsidiaries of the Group are not subject to any income tax in those jurisdictions.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

12 Income tax expense (Continued)

(III) PRC CORPORATE INCOME TAX

Income tax provision of the Group in respect of operations in Mainland China has been calculated at the applicable tax rate on the estimated assessable profits for the years/periods, based on the existing legislation, interpretations and practices in respect thereof. The statutory tax rate was 25% for the half-years of 2026 and 2025.

According to relevant PRC tax laws and regulations, certain subsidiaries of the Group which are registering and operating in western region of Mainland China are entitled for a preferential corporate income tax rate of 15% for the six months ended 30 June 2026.

In accordance with the PRC Corporate Income Tax Law, a 10% withholding income tax is levied on dividends declared to foreign investors from the enterprises with foreign investments established in the PRC. The Group is therefore liable to withholding taxes on dividends estimated distributable by those subsidiaries established in the PRC in respect of their earnings generated from 1 January 2008.

13 Earnings per share

The basic earnings per share is calculated by dividing the profit attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the six months ended 30 June 2026 and 2025.

The Company did not have any potential ordinary shares outstanding to be issued during the six months ended 30 June 2026 and 2025. Diluted earnings per share is equal to basic earnings per share.

	Six months ended 30 June	
	2026	2025
Profit attributable to the owners of the Company (RMB'000)	124,227	121,866
Weighted average number of ordinary shares in issue	3,037,210,442	3,056,844,000
Basic earnings per share for profit attributable to the owners of the Company during the period (expressed in RMB per share)	0.04	0.04

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

14 Property, plant and equipment

	Machinery and electronic equipment RMB'000	Vehicles RMB'000	Furniture and office equipment RMB'000	Leasehold Improvements RMB'000	Buildings RMB'000	Assets under construction RMB'000	Total RMB'000
As at 31 December 2025							
Cost	196,077	14,263	20,781	47,100	33	6,558	284,812
Accumulated depreciation	(124,975)	(8,940)	(10,778)	(20,116)	(33)	–	(164,842)
Net book amount	71,102	5,323	10,003	26,984	–	6,558	119,970
Half-year ended 30 June 2026							
Opening net book amount	71,102	5,323	10,003	26,984	–	6,558	119,970
Additions	8,127	1,046	1,500	5,245	–	14,105	30,023
Transfer from assets under construction	3,257	–	–	–	–	(3,257)	–
Disposals	(3,055)	(228)	(161)	–	–	–	(3,444)
Depreciation charges	(13,743)	(1,269)	(1,198)	(1,738)	–	–	(17,948)
Closing net book amount	65,688	4,872	10,144	30,491	–	17,406	128,601
As at 30 June 2026							
Cost	200,410	14,438	21,816	52,343	33	17,406	306,446
Accumulated depreciation	(134,722)	(9,566)	(11,672)	(21,852)	(33)	–	(177,845)
Net book amount	65,688	4,872	10,144	30,491	–	17,406	128,601

For the six months ended 30 June 2026, depreciation expense of RMB15.9 million and RMB2.0 million has been charged to “cost of sales” and “administrative expenses” respectively.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

15 Leases

	Properties RMB'000	Vehicles and others RMB'000	Total RMB'000
Right-of-use assets			
As at 31 December 2025	58,765	812	59,577
Additions	5,806	403	6,209
Depreciation charges	(9,482)	(526)	(10,008)
Disposals	(9,803)	–	(9,803)
As at 30 June 2026	45,286	689	45,975

	30 June 2026 RMB'000	31 December 2025 RMB'000
Lease liabilities		
Current	17,355	19,192
Non-current	73,298	81,448
	90,653	100,640

For the six months ended 30 June 2026, depreciation expense of RMB3.6 million and RMB6.4 million has been charged to “cost of sales” and “administrative expenses” respectively.

16 Investment properties

	Completed investment properties RMB'000
As at 1 January 2025	50,097
Addition	69,120
Disposal of subsidiaries	(22,393)
Other disposals	(1,291)
Fair value changes (Note 5.3(b))	(5,048)
As at 31 December 2025	90,485
Addition	2,615
Disposal	(1,342)
Fair value changes (Note 5.3(b))	(1,651)
As at 30 June 2026	90,107

The Group's investment properties mainly represent right of use of car park, which are acquired from partial settlement of receivables from related parties.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

17 Intangible assets

	Goodwill RMB'000 (note (a))	Customer relationships RMB'000	Software and others RMB'000	Total RMB'000
As at 31 December 2025				
Cost	1,092,923	350,131	350,030	1,793,084
Accumulated amortization	–	(287,991)	(232,370)	(520,361)
Accumulated impairment	(472,690)	–	(6,885)	(479,575)
Net book amount	620,233	62,140	110,775	793,148
Half-year ended 30 June 2026				
Opening net book amount	620,233	62,140	110,775	793,148
Additions	–	–	4,257	4,257
Amortisation	–	(12,649)	(21,864)	(34,513)
Impairment	–	–	–	–
Closing net book amount	620,233	49,491	93,168	762,892
As at 30 June 2026				
Cost	1,092,923	202,370	349,581	1,644,874
Accumulated amortisation	–	(152,879)	(249,528)	(402,407)
Accumulated impairment	(472,690)	–	(6,885)	(479,575)
Net book amount	620,233	49,491	93,168	762,892

For the six months ended 30 June 2026, amortisation expense of RMB22.7 million and RMB11.8 million has been charged to “cost of sales” and “administrative expenses” respectively.

- (a) As there were no indicators for impairment of the cash-generating units as at 30 June 2026, management has not updated any impairment calculations.

18 Investments accounted for using the equity method

	30 June 2026 RMB'000	31 December 2025 RMB'000
Joint ventures (a)	17,342	16,767
Associates (b)	13,635	12,233
	30,977	29,000

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

18 Investments accounted for using the equity method (Continued)

(A) INVESTMENTS IN JOINT VENTURES

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
At 1 January	16,767	22,358
Dividends declared	(1,161)	(2,008)
Disposal of a joint venture	(1,470)	–
Share of profits/(losses) of joint ventures	3,206	(6,803)
At 30 June	17,342	13,547

(B) INVESTMENTS IN ASSOCIATES

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
At 1 January	12,233	11,106
Share of profits of associates	1,402	749
At 30 June	13,635	11,855

19 Trade and other receivables

	30 June 2026 RMB'000	31 December 2025 RMB'000
Non-current – Other receivables (ii)	43,193	40,619
Less: loss allowance (iii)	(1,285)	(1,212)
Non-current total	41,908	39,407
Current – Trade receivables (i) Other receivables (ii)	7,274,569 880,779	6,833,512 851,835
	8,155,348	7,685,347
Less: loss allowance (iii)	(4,649,310)	(4,347,674)
Current total	3,506,038	3,337,673

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

19 Trade and other receivables (Continued)

- (i) As at 30 June 2026 and 31 December 2025, the carrying amounts of the Group's trade and other receivables were all denominated in RMB.

Trade receivables mainly arise from rendering of property management services managed under a lump-sum basis, operational services and value-added services. Revenue from property management and operational services, community living services and value-added services to non-property owners is due for payment upon rendering of service.

As at 30 June 2026, the Group's trade receivables and loss allowance were as follows:

	30 June 2026 RMB'000	31 December 2025 RMB'000
Trade receivables from third parties		
– Individual property owners	851,343	636,246
– Individual non-property owners	217,316	194,461
– Provision matrix	3,011,468	2,788,882
Subtotal of third parties	4,080,127	3,619,589
Trade receivables from related parties	3,194,442	3,213,923
Total receivables	7,274,569	6,833,512
Less: Loss allowance		
– Individual property owners	(851,343)	(636,246)
– Individual non-property owners	(141,782)	(138,092)
– Provision matrix	(418,737)	(402,985)
Subtotal of third parties	(1,411,862)	(1,177,323)
– Related parties	(2,776,346)	(2,720,139)
Total loss allowance	(4,188,208)	(3,897,462)
Trade receivables – net	3,086,361	2,936,050

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

19 Trade and other receivables (Continued)

(i) (Continued)

The ageing analysis of trade receivables based on dates of rendering of services is as follows:

	30 June 2026 RMB'000	31 December 2025 RMB'000
Within 1 year	2,215,570	1,905,472
1 to 2 years	1,327,189	808,544
2 to 3 years	823,850	626,654
3 to 4 years	427,253	1,124,799
4 to 5 years	1,633,441	2,208,075
Over 5 years	847,266	159,968
	7,274,569	6,833,512

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

(iii) Impairment and risk exposure

The Group assesses on a forward-looking basis ECL associated with its debt instruments carried at amortised cost. As at 30 June 2026, out of total provision of approximately RMB4,649 million (31 December 2025: approximately RMB4,348 million) for trade and other receivables in current portion, a provision of approximately RMB4,188 million (31 December 2025: approximately RMB3,897 million) was made against the gross amounts of trade receivables. Note 5.2 provides for details about the calculation of the allowance.

Other receivables from third parties are all considered to have low credit risk and the loss allowance recognised during the period was therefore limited to 12 months expected losses.

Other receivables from related parties including refundable deposits for car park agency services are considered to have been credit impaired in credit risk since initial recognition. The Group applied the lifetime ECL at stage 3 to determine the loss allowance to be recognised. As at 30 June 2026, a provision of RMB451.38 million (31 December 2025: RMB440.28 million) was made against the gross amounts of other receivables. Note 5.2 provides for details about the calculation of the allowance.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

20 Prepayments

	30 June 2026 RMB'000	31 December 2025 RMB'000
Non-current –		
Prepayments for property, plant and equipment and intangible assets	1,032	1,611
Current –		
Prepayments for repurchase of shares	7,783	9,015
Prepayments for utilities	3,073	1,468
Prepayments for short-term rental fees	3,056	2,540
Others	27,189	20,152
	41,101	33,175

As at 30 June 2026 and 31 December 2025, the carrying amounts of the Group's prepayments were all denominated in RMB.

21 Cash and cash equivalents and bank deposits

Cash on hand and demand deposit:

	30 June 2026 RMB'000	31 December 2025 RMB'000
RMB	2,805,675	3,748,209
HKD	21,217	39,312
USD	7	4
	2,826,899	3,787,525

Bank deposits with the maturity over three months:

	30 June 2026 RMB'000	31 December 2025 RMB'000
RMB	28,000	28,000

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

22 Financial assets at fair value through profit or loss

	30 June 2026 RMB'000	31 December 2025 RMB'000
Non-current – Investment in an unlisted entity	179,711	181,741
Current – Wealth management products (i)	407,963	200,772

- (i) As at 30 June 2026, wealth management products represented the investment in certain non-principal guaranteed RMB denominated wealth management products, which had an expected return rate from 0.32% to 4.03% per annum. For wealth management products with fixed maturity date, their maturity dates did not exceed the end of October.

23 Share capital

	Number of ordinary shares	Share Capital	
		HK\$	Equivalent to RMB'000
Authorised: HK\$0.01 per share	10,000,000,000	100,000,000	
Issued and fully paid:			
As at 31 December 2025	3,056,844,000	30,568,440	25,645
Deregistration of repurchased shares (i)	(28,871,000)	(288,710)	(251)
As at 30 June 2026	3,027,973,000	30,279,730	25,394

- (i) During the period ended 30 June 2026, the Company repurchased 52,171,000 shares at the cost of HKD50.89 million (equivalent to approximately RMB44.63 million and deregistered 28,871,000 shares. The excess amount over the par value of HKD30.80 million (equivalent to RMB26.85 million) was debited to share premium (note 24).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

24 Reserves and treasury shares

	Treasury shares RMB'000	Share premium RMB'000	Statutory reserve RMB'000	Other reserves RMB'000	Total RMB'000
Six months ended 30 June 2026					
Balance at 1 January 2026	–	6,573,630	178,744	(1,662,291)	5,090,083
Share awards scheme-value of employee services	–	–	–	8,500	8,500
Dividends to the shareholders of the Company	–	(28,958)	–	–	(28,958)
Appropriation of statutory reserve	–	–	1,196	–	1,196
Repurchase of shares (note 23 (i))	(44,634)	–	–	–	(44,634)
Deregistration of repurchased shares (note 23 (ii))	27,101	(26,850)	–	(210)	41
Balance at 30 June 2026	(17,533)	6,517,822	179,940	(1,654,001)	5,026,228
Six months ended 30 June 2025					
Balance at 1 January 2025	–	7,011,699	167,840	(1,888,889)	5,290,650
Share awards scheme-value of employee services	–	–	–	8,419	8,419
Dividends to the shareholders of the Company	–	(438,069)	–	–	(438,069)
Changes in non-controlling shareholders' put option	–	–	–	218,296	218,296
Appropriation of statutory reserve	–	–	3,585	–	3,585
Balance at 30 June 2025	–	6,573,630	171,425	(1,662,174)	5,082,881

25 Trade and other payables

	30 June 2026 RMB'000	31 December 2025 RMB'000
Trade payables (i)	963,912	1,077,921
Temporary receipt on behalf (ii)	299,621	307,539
Payroll and welfare payables	263,568	319,028
Deposit payables	252,946	276,952
Other taxes payable	149,697	178,379
Amounts due to related parties (iii)	43,081	45,088
Accruals and others	78,430	96,235
	2,051,255	2,301,142

As at 30 June 2026 and 31 December 2025, trade and other payables were denominated in RMB and the carrying amounts approximated their fair values.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

25 Trade and other payables (Continued)

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

	30 June 2026 RMB'000	31 December 2025 RMB'000
Within 1 year	783,317	882,634
1 to 2 years	41,364	48,688
2 to 3 years	20,732	20,880
Over 3 years	118,499	125,719
	963,912	1,077,921

- (ii) Temporary receipt on behalf mainly represented the proceeds received from property owners in respect of utilities costs and miscellaneous income on common area resources payable to property owners.
- (iii) The amounts due to related parties mainly represented the temporary collection on behalf which are unsecured and interest free.

26 Deferred income tax

(A) DEFERRED TAX ASSETS

	30 June 2026 RMB'000	31 December 2025 RMB'000
The balance comprises temporary differences attributable to:		
– Impairment provision	1,052,446	981,991
– Fair value change	53,509	52,622
– Lease liabilities	22,663	25,161
– Accrued expense and others	18,906	23,776
– Tax losses	12,451	12,863
Total deferred tax assets	1,159,975	1,096,413
Set-off of deferred tax liabilities pursuant to set-off provisions	(21,917)	(24,955)
Net deferred tax assets	1,138,058	1,071,458

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

26 Deferred income tax (Continued)

(B) DEFERRED TAX LIABILITIES

	30 June 2026 RMB'000	31 December 2025 RMB'000
The balance comprises temporary differences attributable to:		
– Fair value surplus at acquisitions	16,901	20,654
– Lease payments receivable under a finance lease	11,885	11,303
– Right-of-use assets	10,031	13,651
– Fair value change	836	835
– Others	1,810	1,074
Total deferred tax liabilities	41,463	47,517
Set-off of deferred tax liabilities pursuant to set-off provisions	(21,917)	(24,955)
Net deferred tax liabilities	19,546	22,562

27 Dividends

The dividends paid in the six months ended 30 June 2026 and 2025 were approximately RMB28.96 million (RMB0.01 per share) and RMB438.07 million (RMB0.143 per share), respectively.

No interim dividend for the six months ended 30 June 2026 was proposed by the board of directors of the Company (for the six months ended 30 June 2025: Nil).

28 Related party transactions

(A) MATERIAL TRANSACTIONS WITH RELATED PARTIES

In addition to the related party information disclosed elsewhere in the interim condensed consolidated financial information, the Group had the following significant transactions entered into the ordinary course of business between the Group and the related parties:

(i) Rendering of services

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Revenue from provision of properties management services and value-added services		
– Fellow subsidiaries	50,170	76,360
– Associates and joint ventures of Sunac China	30,122	26,934
	80,292	103,294

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

28 Related party transactions (Continued)

(B) BALANCES WITH RELATED PARTIES BEFORE PROVISION

	30 June 2026 RMB'000	31 December 2025 RMB'000
Trade receivables		
– Fellow subsidiaries	2,649,003	2,661,686
– Associates and joint ventures of Sunac China	545,439	552,237
	3,194,442	3,213,923
Other receivables		
– Fellow subsidiaries	584,712	589,213
– Associates and joint ventures of Sunac China	41,190	47,504
	625,902	636,717
Trade and other receivables	3,820,344	3,850,640
Trade and other payables		
– Fellow subsidiaries	38,908	39,251
– Associates and joint ventures of Sunac China	14,689	14,210
	53,597	53,461
Contract liabilities		
– Fellow subsidiaries	509	7,792
– Associates and joint ventures of Sunac China	2,722	4,792
	3,231	12,584

(C) KEY MANAGEMENT COMPENSATION

Compensations for key management are set out below.

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Wages, salaries and discretionary bonuses	4,342	4,557
Social insurance expenses, housing benefits and other employee benefits	279	361
Share awards	3,092	2,206
	7,713	7,124



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