濱江服務

BINJIANG SERVICE

Binjiang Service Group Co. Ltd.
濱江服務集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3316)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board (the "**Board**") of directors (the "**Director(s)**") of Binjiang Service Group Co. Ltd. (the "**Company**") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 (the "**Reporting Period**"), together with the comparative figures for the six months ended 30 June 2025. The interim results of the Group for the Reporting Period have been reviewed by the audit committee of the Company (the "**Audit Committee**") and approved by the Board on 20 August 2026.

Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments, or have been rounded to one or two decimal places. Any discrepancies in any tables, charts or elsewhere between totals and sums of amounts listed therein are due to rounding.

HIGHLIGHTS

	As of 30 June		Year-on-year
	2026	2025	change
	(RMB'000, unless otherwise indicated)		
Revenue	**2,298,391**	2,025,041	13.5%
— Property management services	**1,399,901**	1,158,370	20.9%
— Value-added services to non-property owners	**243,462**	214,129	13.7%
— 5S value-added services	**655,028**	652,542	0.4%
Gross profit	**477,268**	455,076	4.9%
Gross profit margin	**20.8%**	22.5%	
Profit for the period	**322,066**	305,562	5.4%
Profit for the period attributable to equity shareholders of the Company	**315,003**	297,707	5.8%
Net profit margin	**14.0%**	15.1%	
Deposits and bank wealth management[1]	**3,797,846**	3,627,162	4.7%
Trade receivables	**731,022**	624,822	17.0%
Earnings per share *(RMB)*	**1.14**	1.08	5.6%
Gross floor area ("**GFA**") under management *('000 sq.m.)*	**92,677**	75,083	23.4%
Contracted GFA *('000 sq.m.)*	**109,685**	96,355	13.8%

After considering the Group's positive business development and the returns to the Shareholders, the Board resolved to declare an interim dividend for the six months ended 30 June 2026 of HK$0.922 per share. The dividend ratio of its net profit attributable to equity shareholders of the Company is approximately 70%.

(1) Total of cash and cash equivalents, time deposits and financial assets at fair value through profit or loss ("**FVPL**")

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026 — unaudited
*(Expressed in Renminbi Yuan ("**RMB**"))*

		Six months ended 30 June	
		2026	2025
	Notes	***RMB'000***	*RMB'000*
Revenue	*3(a)*	**2,298,391**	2,025,041
Cost of sales		**(1,821,123)**	(1,569,965)
Gross profit		**477,268**	455,076
Other revenue	*4*	**5,128**	5,579
Other net income	*4*	**9,150**	2,985
Selling and marketing expenses		**(12,838)**	(11,287)
Administrative expenses		**(51,485)**	(46,551)
Impairment losses on trade receivables		**(32,478)**	(26,350)
Other expenses		**(4,341)**	(1,074)
Profit from operations		**390,404**	378,378
Finance income		**35,732**	35,440
Finance costs		**(144)**	(65)
Net finance income		**35,588**	35,375
Share of profits less losses of associates		**1,906**	957
Share of profits less losses of joint ventures		**1,110**	(471)
Profit before taxation	*5*	**429,008**	414,239
Income tax	*6*	**(106,942)**	(108,677)
Profit for the period		**322,066**	305,562
Attributable to:			
Equity shareholders of the Company		**315,003**	297,707
Non-controlling interests		**7,063**	7,855
		322,066	305,562

	Notes	Six months ended 30 June **2026** *RMB'000*	2025 *RMB'000*
Profit for the period		**322,066**	305,562
Other comprehensive income for the period (after tax and reclassification adjustments)			
Items that will not be reclassified to profit or loss:			
Exchange differences on translation of financial statements of the Company		**(37,111)**	(12,514)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of overseas subsidiaries		**331**	134
Total comprehensive income for the period		**285,286**	293,182
Attributable to:			
Equity shareholders of the Company		**278,223**	285,327
Non-controlling interests		**7,063**	7,855
Total comprehensive income for the period		**285,286**	293,182
Earnings per share	*7*		
Basic and diluted *(RMB)*		**1.14**	1.08

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026 — unaudited
(Expressed in RMB)

	Notes	**30 June 2026 RMB'000**	31 December 2025 RMB'000
Non-current assets			
Property, plant and equipment		**55,618**	51,692
Intangible assets		**4,562**	4,440
Investment in associates		**11,249**	9,343
Investment in joint ventures		**4,435**	3,325
Deferred tax assets		**67,263**	52,785
Time deposits		**332,248**	91,756
Prepayments		**780**	1,224
		476,155	214,565
Current assets			
Inventories		**305,256**	333,044
Trade and other receivables	*8*	**1,077,744**	760,360
Financial assets measured at fair value through profit or loss ("**FVPL**")		**1,160,806**	432,769
Time deposits		**1,554,026**	2,014,517
Restricted bank balances		**60,038**	263,340
Cash and cash equivalents		**750,766**	890,521
		4,908,636	4,694,551
Current liabilities			
Contract liabilities	*9*	**1,847,357**	1,768,657
Trade and other payables	*10*	**1,376,983**	1,285,042
Bank loans		**2,902**	—
Lease liabilities		**1,792**	1,251
Current taxation		**91,303**	85,874
Dividends payable	*11*	**234,792**	—
		3,555,129	3,140,824
Net current assets		**1,353,507**	1,553,727
Total assets less current liabilities		**1,829,662**	1,768,292

	Notes	30 June 2026 RMB'000	31 December 2025 RMB'000
Non-current liability			
Lease liabilities		**2,556**	1,127
Deferred tax liabilities	*6*	**30,700**	21,700
		33,256	22,827
NET ASSETS		**1,796,406**	1,745,465
CAPITAL AND RESERVES			
Share capital		**181**	181
Reserves		**1,715,381**	1,672,225
Total equity attributable to equity shareholders of the Company		**1,715,562**	1,672,406
Non-controlling interests		**80,844**	73,059
TOTAL EQUITY		**1,796,406**	1,745,465

NOTES

(Expressed in RMB, unless otherwise indicated)

1 Basis of preparation

The interim financial report of Binjiang Service Group Co. Ltd. (the "**Company**") as at and for the six months ended 30 June 2026 comprises the Company and its subsidiaries (together referred to as the "**Group**"). The interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard ("**IAS**") 34 "Interim Financial Reporting" adopted by the International Accounting Standards Board ("**IASB**").

The Company was incorporated in the Cayman Islands on 6 July 2017 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's shares were listed on the Main Board on the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 15 March 2019 (the "**Listing**").

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

2 Changes in accounting policies

The IASB has issued a number of amendments to Accounting Standards that are first effective for the current accounting period. None of these developments have had a material effect on these financial statements. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 Revenue and segment reporting

(a) Revenue

The principal activities of the Group are property management services, value-added services to non-property owners and 5S value-added services.

Revenue represents income from property management services, value-added services to non-property owners and 5S value-added services.

The amount of each significant category of revenue are as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15		
Revenue recognised over time:		
Property management services	**1,399,901**	1,158,370
Value-added services to non-property owners	**243,462**	214,129
5S value-added services	**566,760**	592,355
	2,210,123	1,964,854
Revenue recognised at point in time:		
5S value-added services (note)	**88,268**	60,187
	2,298,391	2,025,041

Note: For 5S value-added services that involve sale of goods, including sales of furniture, car parking spaces, storage rooms and premises, and brokerage services for property sales and leasing, the Group recognises revenues at point in time when the buyers take possession of and accept the goods and services.

No revenue from transactions with single external customer amounts to 10% or more of the Group's total revenue for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

(b) Segment reporting

The Group manages its businesses by divisions, which are organised by a mixture of business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three operating and reportable segments:

— Property management services: this segment provides property management services to property owners, including security, cleaning, gardening, repair, maintenance, land management and ancillary services.

— Value-added services to non-property owners: this segment provides value-added services to non-property owners, including pre-delivery services, consulting services and community space services.

— 5S value-added services: this segment provides 5S value-added services to property owners, including housekeeping services, brokerages services, home decoration services, sales of furniture, car parking spaces, storage rooms and premises and other community value-added services to property owners.

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results attributable to each reportable segment. Segment results represent the profit earned by each segment without allocation of central corporate expenses. Revenue and expenses are allocated to each segment with reference to sales generated by those segments and the expenses incurred by those segments. The measure used for reporting segment result is gross profit.

No analysis of segment assets and segment liabilities is presented as these information is not regularly provided to the Group's most senior executive management for review.

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

	Property management services *RMB'000*	Value-added services to non-property owners *RMB'000*	5S Value-added Services *RMB'000*	Total *RMB'000*
Six months ended 30 June 2026:				
Segment revenue	**1,399,901**	**243,462**	**655,028**	**2,298,391**
Segment gross profits	**238,548**	**77,599**	**161,121**	**477,268**
Unallocated corporate expenses and others				**(48,260)**
Profit before taxation				**429,008**
Six months ended 30 June 2025:				
Segment revenue	1,158,370	214,129	652,542	2,025,041
Segment gross profits	210,413	74,219	170,444	455,076
Unallocated corporate expenses				(40,837)
Profit before taxation				414,239

No geographical segment analysis is shown as all of the Group's revenue are derived from activities in, and from customers located in the PRC and almost all of carrying values of the Group's non-current assets are situated in the PRC.

4 Other revenue and other net income

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Other revenue		
Government grants *(note (i))*	**2,776**	2,901
Others	**2,352**	2,678
	5,128	5,579

(i) Government grants mainly represent unconditional discretionary financial support from local municipal government authorities.

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Other net income		
Net loss on disposal of property, plant and equipment	**(763)**	(155)
Net realised and unrealised gains on FVPL	**9,341**	3,140
Net foreign exchange gains	**572**	—
	9,150	2,985

5 Profit before taxation

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

(a) Net finance income

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Interest income on bank deposits	**(35,732)**	(35,440)
Interest on lease liabilities	**138**	65
Interest on bank loans	**6**	—
Net finance income	**(35,588)**	(35,375)

(b) Staff costs

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Salaries and other benefits	**756,608**	644,914
Contributions to defined contribution scheme *(note (i))*	**74,817**	58,282
	831,425	703,196

(i) Employees of the Group's PRC subsidiaries are required to participate in a defined contribution scheme administered and operated by the local municipal governments. The Group's PRC subsidiaries contribute funds which are calculated on certain percentages of the employee salary as agreed by the local municipal government to the scheme to fund the retirement benefits of the employees.

The Group has no other material obligation for the payment of retirement benefits associated with these schemes beyond the annual contributions described above.

(c) Other items

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Depreciation		
— property, plant and equipment	**9,490**	8,594
— right-of-use assets	**1,191**	1,065
Expenses related to short-term leases	**10,703**	8,916
Impairment loss on trade receivables	**32,478**	26,350
Cost of inventories	**67,056**	26,721

6 Income tax

Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Current tax		
PRC corporate income tax	**104,004**	99,812
Over-provision in respect of prior years	**(334)**	(1,342)
	103,670	98,470
Deferred tax		
Origination and reversal of temporary differences	**(14,478)**	(7,993)
Withholding tax on the profits of the Group's PRC subsidiaries *(note (iv))*	**17,750**	18,200
	3,272	10,207
	106,942	108,677

(i) Pursuant to the rules and regulations of the Cayman Islands and British Virgin Islands ("**the BVI**"), the Group is not subject to any income tax in the Cayman Islands and the BVI.

(ii) The income tax rate applicable to the Group's subsidiary incorporated in Hong Kong for the income subject to Hong Kong Profits Tax during the reporting period is 16.5%. No provision for Hong Kong Profits Tax has been made as the Group did not earn any income subject to Hong Kong Profits Tax during the reporting period (six months ended 30 June 2025: Nil).

(iii) The Group's PRC subsidiaries are subject to PRC income tax at 25%. For certain subsidiaries recognised as a small profit enterprise in 2026, the portion of annual taxable income amount, which does not exceed RMB3 million, shall be computed at a reduced rate of 25% (six months ended 30 June 2025: 25%) as taxable income amount, and be subject to enterprise income tax at 20% (six months ended 30 June 2025: 20%).

(iv) According to the PRC corporate income tax laws and its implementation rules, dividends receivable by non-PRC corporate residents from PRC enterprises are subject to withholding tax at a rate of 10%, unless reduced by tax treaties or arrangements, for profits earned since 1 January 2008.

In 2023, the Company's Hong Kong subsidiary received the certificate of Hong Kong resident status. Pursuant to the Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income ("**Tax Treaties**") and the Announcement of the State Taxation Administration in relation to "Beneficial Owner" in Tax Treaties ("**Announcement No.9**"), the Hong Kong subsidiary meets the requirement for enjoying the preferential rate and is subject to withholding tax at a rate of 5% for dividends received from PRC subsidiaries since 2023.

As at 30 June 2026, deferred tax liabilities of RMB30,700,000 were recognised in respect of the 5% PRC dividend withholding tax that would be payable on the distribution of the retained profits of the Group's PRC subsidiaries (31 December 2025: RMB21,700,000).

7 Earnings per share

The calculation of basic and diluted earnings per share is based on the profit attributable to equity shareholders of the Company of RMB315,003,000 for the six months ended 30 June 2026 (six months ended 30 June 2025: RMB297,707,000) and the weighted average number of 276,407,000 shares in issue during the period (six months ended 30 June 2025: weighted average number of 276,407,000 shares).

There were no dilutive potential shares outstanding for the six months ended 30 June 2026 and 2025 and therefore the diluted earnings per share are same as the basic earnings per share.

8 Trade and other receivables

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Trade receivables		
— third parties	**776,520**	448,199
— related parties	**102,240**	73,040
	878,760	521,239
Less: allowance for impairment of trade receivables		
— third parties	**(143,907)**	(111,547)
— related parties	**(3,831)**	(3,935)
	(147,738)	(115,482)
Trade receivables, net of loss allowance	**731,022**	405,757
Other receivables from related parties	**1,806**	1,861
Prepayments to related parties	**28,894**	24,783
Deposits and prepayments	**182,616**	209,719
Payments on behalf of property owners	**86,065**	63,166
Advances to employees	**10,939**	9,615
Other receivables	**36,402**	45,459
	1,077,744	760,360

Trade receivables are primarily related to revenue recognised from the provision of property management services, value-added services to non-property owners and provision of home decoration services.

Ageing analysis

As at the end of each reporting period, the ageing analysis of trade receivables from third parties and related parties based on the date of revenue recognition and net of allowance for impairment of trade receivables, is as follows:

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Within 1 year	**691,687**	373,364
1 to 2 years	**39,335**	32,393
	731,022	405,757

9 Contract liabilities

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Contract liabilities		
Property management services	**750,464**	323,104
Value-added services to non-property owners	**7,096**	1,028
5S value-added services	**1,089,797**	1,444,525
	1,847,357	1,768,657

10 Trade and other payables

	At **30 June** **2026** ***RMB'000***	At 31 December 2025 *RMB'000*
Trade payables	**519,239**	376,416
— third parties	**517,786**	370,447
— related parties	**1,453**	5,969
Other payables due to related parties	**24,024**	41,049
Refundable deposits	**112,195**	105,503
Other taxes and charges payable	**136,387**	158,059
Accrued payroll and other benefits	**257,025**	286,451
Cash collected on behalf of the property owners' associations	**55,882**	57,998
Temporary receipts from property owners/buyers	**227,389**	154,933
Other payables and accruals	**44,842**	104,633
	1,376,983	1,285,042

Ageing analysis

As at the end of the reporting period, the ageing analysis of trade payables due to related parties and third parties, based on invoice date is as follows:

	At **30 June** **2026** ***RMB'000***	At 31 December 2025 *RMB'000*
Within 3 months	**191,299**	125,083
After 3 months but within 1 year	**191,386**	210,515
Over 1 year	**136,554**	40,818
	519,239	376,416

11 Dividends

(i) Dividends payable to equity shareholders of the Company attributable to the interim period:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Interim dividend of HKD0.922 per share proposed after the interim period (six months ended 30 June 2025: HKD0.826 per share)	**220,593**	208,328

The interim dividend declared after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved during the interim period:

During the six months ended 30 June 2026, a final dividend of HKD0.978 per share in respect of the year ended 31 December 2025 (six months ended 30 June 2025: final dividend of HKD0.876 per share in respect of the year ended 31 December 2024 were approved. The aggregate amount of the final dividend approved during the six months ended 30 June 2026 amounted to HKD270,326,046 (RMB equivalent 235,067,000) (six months ended 30 June 2025: the aggregate amount of the final dividend and special dividend amounted to HKD242,132,532 (RMB equivalent 221,818,000)).

The final dividend approved during the six months ended 30 June 2026 was not yet paid as at 30 June 2026 (six months ended 30 June 2025: final dividend approved during the six months ended 30 June 2025 was not paid as at 30 June 2025).

CHAIRMAN'S STATEMENT

To all shareholders of the Company (the "**Shareholder(s)**"),

Thank you for your trust in and support for the Group. On behalf of the Board, I am pleased to present the Group's unaudited consolidated results for the six months ended 30 June 2026.

2026 marks the inaugural year of the "15th Five-Year Plan" period. For the first time, the Government Work Report proposed to "implement initiatives to enhance property service quality", signifying that the property service industry has transformed from a subsidiary segment of real estate development into a critical service sector concerning people's wellbeing, asset value and social stability. Staying true to its original aspiration and guided by the corporate vision of "becoming a brand leader in the property industry and a setter of high-end service quality standards", the Group remains firmly rooted in the fundamentals of service and charts its future development through the three strategic dimensions of being a "New Good Steward, New Good Employer and New Good Partner". The Group is working on comprehensive breakthroughs in areas such as service upgrading, technology empowerment, business growth, organizational optimization, social responsibility and ecosystem synergy, providing a clear action framework to sustain the Group's high-quality development.

SERVICE EXCELLENCE BUILDS REPUTATION

Deepening Star-Rated Service System: The Group has actively developed a premium differentiated star-rated service standard system, refined service touchpoint specifications for high-end projects, and established a "zero-tolerance" checklist for basic service quality to strengthen refined management of facility maintenance and security. In the first half of the year, the Company's quality and safety inspection efforts proceeded in an orderly manner, with overall service quality maintaining a steady upward trend. By rolling out a dual-improvement strategy of "soft services + hard services", the Group has continued to make quality and safety control and the development of customer service systems its top priorities. Leveraging regular mechanism building and refined service measures, the Group has witnessed a dual leap in both management efficiency and customer reputation.

Optimizing the Owner Supervision and Co-construction Mechanism: The Group has broadened feedback channels by implementing an owner quality supervision mechanism and established multi-channel communication and rectification disclosure mechanisms to deepen the implementation of the "owner first" philosophy. On the basis of ongoing efforts in the closed-loop quality management mechanism, the Group has introduced the "Project Managers' Open Day" system, upgraded the daily complaint feedback procedure, and expanded the scope of satisfaction surveys, enabling precise identification of and rapid response to service pain points. On top of that, the Group has achieved regular and long-term quality and safety control with diversified inspection methods such as remote monitoring, nighttime spot checks and unannounced supervisory inspections.

FOCUSING ON EXPANDING THE TERRITORY

Focusing on Regional Synergistic Development: The Group is a strong champion of the development strategy of "Focusing on Hangzhou, cultivating the Yangtze River Delta, radiating to the whole country, pursuing quality driven expansion and tapping high value markets". By strengthening the vertical and horizontal coordination between the Market Development Center and regional branches, the Group has broken down internal barriers for resource sharing and complementary advantages and put in place a high-density, short-radius management network. This has helped enhance operational efficiency and cost control capabilities to contribute to a new pattern of integrated collaborative development of "expansion and operations".

Brand Empowerment for Market Expansion: During the Reporting Period, the Group's contracted GFA is approximately 109.7 million sq.m., representing a year-on-year increase of 13.8%; the total GFA under management reached 92.7 million sq.m., representing a year-on-year increase of 23.4%. Among these figures, the GFA under management in Hangzhou reached 59.8 million sq.m., and the GFA under management from independent third-party expansion increased by 6.0 million sq.m., representing a year-on-year increase of 40.3%, demonstrating remarkable achievements in market-oriented expansion. In the first half of the year, the Group successfully won bids for a number of representative existing residential projects with significant advantages, including Waterside Garden, Wenbo Huacheng, Huayu Guanlanli and Wish Garden, among which 3 existing residential projects were awarded at a premium. The successful acquisition of these projects represents not only a recognition of the Group's professional capabilities by the market, but also a vivid testament to the profound trust that property owners place in the "Binjiang Service" brand. This has helped the Group maintain a high concentration advantage in high-tier cities and further consolidated the Group's absolute leadership in Hangzhou's high-end service market.

Full-Chain Quality Enhancement and Optimization through Retention and Elimination: The Group has established a dynamic full-cycle project tracking mechanism to conduct precise screening for newly-acquired projects and conducted value reassessments for existing projects to ensure orderly exits for underperforming projects. During the Reporting Period, the Company's overall collection rate increased by 1.46 percentage points compared with the same period of last year. Braving the challenging market environment, the team achieved remarkable results and demonstrated strong combat effectiveness, laying a solid foundation for high-quality development with sustained growth in operating performance and a sound market advantage.

VALUE-ADDED SERVICES FOR MORE POTENTIAL

Centering on the full life-cycle needs of real estate, the Group continued its efforts in the "property management + value-added" service ecosystem. To make it happen, the Group has focused on developing featured services such as trade-in programs, interior partial renovation, housekeeping services and elderly care services. Thanks to high-quality value-added services, the Group is broadening its revenue boundaries and enhancing customer loyalty, while shaping a warm community ecosystem. The Group has screened and selected quality partners to build a business resource pool; established a 5S value-added service online platform; promoted community precision marketing through homeowner activities and one-on-one referrals to increase service penetration; and established a service quality control mechanism, regularly optimizing service categories and pricing systems to continuously enhance service quality and customer satisfaction, forming a full-cycle, high-quality value-added service ecosystem closed loop.

LEAN MANAGEMENT FOR EFFICIENCY ENHANCEMENT

Streamlined Organization for Deepened Digital Transformation: The Group has always taken refined management as a core focus. By vertically compressing management levels and gradually eliminating redundant intermediate management layers, the Group has established a three-tier management and control system, improving decision communication and execution efficiency to meet the demand for rapid response in high-end services. Leveraging its brand advantages, the Group has built an efficient internal sharing and communication platform, which is designed to integrate human resources, materials and other resources across neighboring projects for cross-project coordination. Beyond that, the Group has established a regular employee communication mechanism and multiple feedback channels in response to employees' career development aspirations to strengthen team cohesion for the stable delivery of service quality. Empowered by existing informatization, the Group has pushed forward with the smart service technologies, with a focus on digital applications such as energy-saving control and online services, so as to reduce the cost of repetitive work and redirect human resources towards soft services. Digitally, the Group has optimized service processes to further consolidate its competitive edge in high-end service quality and enhance property owner satisfaction.

Strengthening Talent Adaptability and Management Upgrading: Guided by the "people-oriented" talent philosophy and the talent selection strategy of "giving priority to internal cultivation and supplementing with external recruitment", the Group have put in place a two-way growth mechanism featuring "proactive learning by employees + platform-based empowerment by the Company". Efforts have been made to refine promotion pathways and incentive schemes to unlock organizational potential for a high-performing team. Following the core principle of "Precise Empowerment and Echelon Reserve", the Group have identified high-potential reserve project managers against the criteria of "performance + potential". A tiered training system has been further rolled out to boost employee satisfaction, creating a positive cycle of "talent retention — capability enhancement — service upgrading" that channels internal momentum into high-quality development.

HEARTFELT SERVICE FOR BRAND DEVELOPMENT

Innovating Continuously and Cultivating Featured Services: The Group has stepped up investment in brand promotion, rolled out innovative communication channels, and encouraged city-level branches to open new media touchpoints such as official accounts and video channels on various platforms. With a strong commitment to emotional community operations and the needs of "the elderly and the young", the Group have cultivated distinctive services including community-based elderly care and parent-child care programs. By weaving brand building into community governance, the Group aim to create a high-quality community that is warm, appealing and fosters a true sense of belonging.

Fulfilling Responsibilities to Forge a Strong Reputation: The Group has taken the initiative to shoulder its responsibilities in areas such as green environmental protection, emergency rescue, and poverty alleviation and assistance, treating arduous and urgent tasks as a touchstone for testing the Group's team. In critical moments such as extreme weather rescue operations, sudden fire incident responses, and late-night emergency medical escorts, the Group have safeguarded thousands of households through concrete actions, underpinning a "good reputation" with "quality services". The Group commit ourselves to building a benchmark brand of high-end property services in the Yangtze River Delta and even nationwide, distinguished by unparalleled competitiveness, and driving market expansion, value-added revenue growth, and long-term sustainable high-quality development through brand strength.

Distinguished Shareholders, under the firm leadership of the Board, the Group will continue its ambition in its core territory, consolidate the service foundation, and activate the value-added ecosystem so as to enhance operational and management quality and seek a better brand reputation. The road ahead is long, yet our commitment to service knows no bounds. Staying true to its original aspiration, the Company will pool collective wisdom to drive innovation and development, and effectively translate development achievements into enhanced corporate value, rewarding returns for the Shareholders, and a vision of happiness for property owners.

Yu Zhongxiang
Chairman

Hong Kong, the PRC, 20 August 2026

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Looking back to the first half of 2026, the Group continued to maintain steady growth, persistently cultivating and further expanding its business scope within the Yangtze River Delta. The Group has a total of 187 subsidiaries and branches in 21 cities in Zhejiang Province, Jiangsu Province, Jiangxi Province, Shanghai Municipality, Hainan Province and Guangdong Province in China, providing high-quality property services for approximately 400,000 property owners. As of 30 June 2026, the GFA under management of the Group was approximately 92.7 million sq.m., representing a year-on-year increase of 23.4%. The contracted GFA was approximately 109.7 million sq.m., representing a year-on-year increase of 13.8%, which will provide favorable support for the business growth of the Group.

As of 30 June 2026, the Group's revenue increased by 13.5% to RMB2,298.4 million. The Group's gross profit increased by 4.9% from the corresponding period of 2025 to RMB477.3 million. The Group's gross profit margin was 20.8%, representing a decrease of 1.7 percentage points from the corresponding period of 2025. Among them, revenue generated from property management services, value-added services to non-property owners and 5S value-added services amounted to RMB1,399.9 million, RMB243.5 million and RMB655.0 million, respectively. In the first half of 2026, the average property management fee of the Group was approximately RMB4.18 per sq.m. per month (the corresponding period of 2025: RMB4.20 per sq.m. per month), calculated by dividing the property management fee income for the Reporting Period by the average chargeable GFA at the beginning and the end of the Reporting Period. Leveraging its brand recognition and industry influence, the Group was able to charge relatively higher property management fees for its quality property management services. In the first half of 2026, the Group reached an upward adjustment of property management fees in 10 projects under management by its high-quality services, and secured premium bids for 3 existing residential projects, solidifying the advantageous route of brand development.

The Group provided high-quality property management services that are tailored to its customers' needs and maintained its brand recognition and awareness in terms of property services. The Group ranked 11th among the top 100 property management service brands selected by China Index Academy for the year 2026. As the Group's service quality is highly recognised within the region, Hangzhou Binjiang Investment Holdings Co., Ltd.* (杭州濱江投資控股有限公司) and its subsidiaries (collectively, "**Binjiang Group**") have established a close business relationship with the Group and continuously provided a large number of premium properties to the Group. In the first half of 2026, Binjiang Group achieved full-scale accumulated sales ranking 9th among national real estate enterprises and 1st among national private real estate enterprises in terms of sales. In addition, Binjiang Group acquired 12 pieces of quality land in total.

With brand quality remaining as its core competitiveness, the Group will build a stronger talent team, continuously improve the Company's high-end property management model, and raise the standard of specialized services. The Group will promote the construction of informatization and intelligence, enhance the efficiency of the management regime, system and process, strengthen the quality assurance system, and continuously improve its operational capabilities. With these efforts, it aims to achieve sustainable and high-quality development.

BUSINESS MODELS OF THE GROUP

The management of the Group classified business segments into property management services, value-added services to non-property owners and 5S value-added services, forming an entire value chain of comprehensive services within property management.

- **Property management services:** The Group provides property owners with a series of high-quality property management services, including security, cleaning, gardening, repair, maintenance and ancillary services, and charges service fees from residents and property owners or real estate developers of such properties under management for property management services. In addition, the Group provides land reserve management services, primarily including land management and maintenance, green planting and maintenance, wall and fence painting works, muck removal and transportation, installation and management of monitoring devices, and others.

- **Value-added services to non-property owners:** The Group provides value-added services to non-property owners, mainly to property developers. These services refer to pre-delivery services, consulting services and community space services.

  Pre-delivery services include cleaning, assisting with quality check and security services for completed properties and display units and providing property sales venue management services to property developers during the pre-delivery stage of property sales.

  Consulting services include advising property developers at the early and construction stages on project planning, design management and construction management to enhance functionality, comfort and convenience.

  Community space services include (i) assisting advertisement companies with regard to advertisement placements in the community spaces in the Group's managed properties; and (ii) managing community venues in the Group's managed properties.

- **5S value-added services:** The Group also provides 5S value-added services to property owners, including three major businesses, namely Youjia services, Youju services and Youxiang living services.

  Youjia services include the primary and secondary property sales, leasing agency services, car parking space and storage room services. The Group is committed to providing attentive services for customers with its resources.

  Youju services include home decoration services. Adhering to its "Living Home" interior services concept, it provides elegant, stylish, modern and customized furnishing services, interior design services, home decoration services as well as facility upgrade services and maintenance for its customers.

  Youxiang living services include home living services and Binxiang Mall retail platform services. In view of the different functions in residential and non-residential properties, the Group provides additional services that are tailored to its customers' needs.

It has been the strategic objective of the Group to expand its managed area with stability and quality. The Group seeks to maintain a steady increase in contracted GFA and GFA under management through various channels.

The table below sets out the changes in contracted GFA and GFA under management of the Group for the Reporting Period and the corresponding period of 2025:

	For the six months ended 30 June			
	2026		2025	
	Contracted GFA *('000 sq.m.)*	**GFA under management** *('000 sq.m.)*	Contracted GFA *('000 sq.m.)*	GFA under management *('000 sq.m.)*
At the beginning of the Reporting Period	**104,244**	**82,629**	92,866	67,945
Addition	**5,899**	**10,393**	4,179	7,664
Termination	**(459)**	**(345)**	(690)	(526)
At the end of the Reporting Period	**109,685**	**92,677**	96,355	75,083

Note: As of 30 June 2026, the Group had a GFA under management of 92.7 million sq.m. and a contracted GFA of approximately 109.7 million sq.m., with a ratio of contracted GFA to GFA under management of approximately 1.2. Contracted GFA refers to the GFA managed currently or to be managed by the Group under signed property management contracts.

The table below sets forth the breakdown of the Group's total property management services revenue, GFA under management and number of projects by type of properties during the Reporting Period and the corresponding period of 2025:

	For the six months ended 30 June					
	2026			2025		
	Revenue *(RMB'000)*	**GFA under management** *('000 sq.m.)*	**Number of projects**	Revenue *(RMB'000)*	GFA under management *('000 sq.m.)*	Number of projects
Residential	**1,125,367**	**80,302**	**454**	914,866	64,238	360
Non-residential	**273,362**	**12,375**	**123**	241,858	10,846	110
Land management	**1,172**	**—**	**—**	1,646	—	—
Total	**1,399,901**	**92,677**	**577**	1,158,370	75,083	470

The table below sets forth the breakdown of the Group's total property management services revenue, GFA under management and number of projects by type of developers during the Reporting Period and the corresponding period of 2025:

	For the six months ended 30 June					
	2026			2025		
	Revenue *(RMB'000)*	**GFA under management** *('000 sq.m.)*	**Number of projects**	Revenue *(RMB'000)*	GFA under management *('000 sq.m.)*	Number of projects
Properties developed by Binjiang Group[1]	**694,207**	**39,949**	**244**	582,325	33,416	201
— early stage	**260,241**	**15,280**	**97**	281,865	16,122	108
— property owners' association stage/ property management committee stage	**433,966**	**24,669**	**147**	300,460	17,293	93
Properties developed by independent property developers	**704,522**	**52,728**	**333**	574,399	41,667	269
— early stage	**340,307**	**27,423**	**192**	320,734	24,763	182
— property owners' association stage/ property management committee stage	**364,215**	**25,305**	**141**	253,665	16,905	87
Land management	**1,172**	**—**	**—**	1,646	—	—
Total	**1,399,901**	**92,677**	**577**	1,158,370	75,083	470

Note:

(1) Refers to properties developed solely or co-developed with other parties by subsidiaries or joint ventures or associates of Binjiang Group.

The table below sets forth the breakdown of the Group's total property management services revenue, GFA under management and number of projects by geographic region during the Reporting Period and the corresponding period of 2025:

	For the six months ended 30 June					
	2026			2025		
	Revenue *(RMB'000)*	**GFA under management** *('000 sq.m.)*	**Number of projects**	Revenue *(RMB'000)*	GFA under management *('000 sq.m.)*	Number of projects
Hangzhou	**983,806**	**59,751**	**401**	818,125	47,746	323
Zhejiang Province (excluding Hangzhou)	**366,282**	**30,044**	**154**	305,190	24,944	130
Outside Zhejiang Province	**49,813**	**2,882**	**22**	35,055	2,393	17
Total	**1,399,901**	**92,677**	**577**	1,158,370	75,083	470

FUTURE PROSPECTS

Further promotion of quality brand building

The Group will continue to strengthen its brand responsibility and strive to become a brand leader in the property industry and a setter of high-end service quality standards. The Group have come to a profound understanding that the property industry is transitioning from an era driven by scale to an era driven by efficiency, and that the trust of property owners and brand reputation are important assets for the development of property enterprises. The Group will further consolidate its service standardization system and improve the allocation standards for different business formats, regions and service contents. Relying on its benchmarking advantages and strengths over competing projects, the Group will create differentiated services and strive to achieve the phased goals of becoming "a top property management brand in China and a benchmark in Zhejiang". Through providing effective and consistent service quality, the Group will gain higher brand value and sustainable market competitiveness.

The Group will improve its customer service response mechanism and establish an integrated online and offline complaint handling and feedback platform to ensure that every reasonable request from property owners is responded to and followed up in a timely manner. By listening to the opinions of property owners and partners through multiple channels, and adhering to routine, full-coverage quality and safety inspections, a three-level linkage mechanism will be formed to refine every project and address shortcomings. The Group will continuously consolidate and enhance its service capabilities, sustainably build brand reputation, strengthen its competitiveness, and promote the steady and sustainable development of the Group.

Further expansion of business scale and market share

In the future, the Group will continue to expand its brand influence. Relying on the successful experience gained in the high-end market of the Yangtze River Delta, the Group will make full use of its existing service management systems and standards to increase its share in the existing market. Adhering to the business expansion strategy focusing on Hangzhou and taking root in the Yangtze River Delta, the Group will focus on the operation in the existing markets and strategically expand its business coverage in eastern China. At present, the Group has initially established a positive trajectory of quality expansion and high-quality development. The Group strives to achieve project strategic objective of establishing a solid foundation within one year, achieving sustainable growth within three years, and reaching full-scale development within five years, so as to realize the strategic upgrading from single-point breakthrough to regional coordination and from scale growth to value leap. At the same time, the Group will establish a dedicated project expansion team, focus on precision external expansion of high-quality residential, commercial and corporate projects in the Yangtze River Delta, and actively expand into diverse business formats such as urban services, industrial parks, airports and public transportation, so as to improve the quality of project structure and build a business portfolio that can withstand cyclical fluctuations. By actively implementing the strategy of "vacating the cage for new birds", the Group conducts full-cycle dynamic assessment of projects, concentrates resources on high-quality projects, and improves overall operational efficiency. The Group will strengthen the training of the business development team, unify the Company's brand image, and enhance the interaction between market development liaisons and branch companies.

Expanding and providing diversified services

Value-added services are offered to property owners based on the Group's advantageous living service scenarios, with a commitment to becoming a trusted housing asset management and maintenance institution. By establishing a 5S-centered value-added service system and fostering a model of resource integration and mutually beneficial development, the Group provides diversified services for property owners and customers. The Group will actively promote the 5S value-added service online platform to realise the full digitalisation of service processes; carry out community precision marketing through homeowner activities and one-on-one referrals to increase service penetration; adopt flexible pricing, reduce marginal costs through economies of scale, and maintain a competitive edge in service cost-effectiveness; establish a tiered homeowner service system, offering private banquets, asset customisation and dedicated steward one-on-one services to high-end property owners; and establish a service quality control mechanism to regularly optimise service categories and pricing systems. In terms of 5S service, the Group, adhering to the vision of "Creating Life through Furnishing the Home", will capitalise its advantages derived from the existing brands and platform to establish strategic partnerships through various channels. Meanwhile, the Group will continue to actively seek for additional partnership opportunities with leading and well-known enterprises in the industry, promoting and replicating its successful partnership model.

Further improvement of management and operation systems

The Group will continue to upgrade its internal management system and smart management platform, while adhering to its principles and maintaining a degree of flexibility to align with the needs for future enterprise development. The Group aims to provide a core driving force for its development through optimizing its management structure, setting up standardized operation procedures and strengthening the procurement control to refine its internal control mechanism and improve multidimensional data coordination, analysis and benchmarking. The Group will continue to advance the deployment of smart-assisted management, AI-powered energy conservation and other equipment, complete the pilot intelligent transformation of core projects, and while enhancing management efficiency, attach greater importance to service quality, so as to establish a new paradigm for high-end smart property management.

Strengthening the corporate governance and culture construction

The Group will continue the work on its corporate management level, further effectively implement the philosophy of "refined management, quality improvement and efficiency enhancement" to the frontline of services and the terminal of management, focus on practical results, advance the construction of the training center, improve the internal corporate training system, and establish a professional practical training platform to systematically cultivate backbone talents and frontline employees, forming a composite talent echelon covering services, technology and operations, so as to reserve core capabilities for business transformation and cross-regional development, and support diversified businesses. At the same time, it will continuously strengthen internal control and risk management, deepen the reform of information systems to break down information barriers, and achieve the goal of early warning and early handling of problems. In addition, the Group will strengthen corporate culture development to enhance employees' sense of belonging and cohesion, thereby promoting more standardized, transparent, stable, efficient, and sustainable corporate growth, so as to enhance the value of the enterprise and protect the rights and interests of the Shareholders.

FINANCIAL REVIEW

The Group's revenue was generated from three main business lines: (i) property management services; (ii) value-added services to non-property owners; and (iii) 5S value-added services. During the Reporting Period, (i) the property management services were the largest source of revenue and profit for the Group, accounting for 60.9% of total revenue; and (ii) 5S value-added services were the second largest source of revenue for the Group, accounting for 28.5% of total revenue.

	Six months ended 30 June				Year-on-
	2026		2025		year change
	RMB'000	***% of total revenue***	*RMB'000*	*% of total revenue*	*%*
Property management services	**1,399,901**	**60.9**	1,158,370	57.2	20.9
Property management services for residential properties	**1,125,367**	**48.9**	914,866	45.2	23.0
Property management services for non-residential properties	**273,362**	**11.9**	241,858	11.9	13.0
Land management	**1,172**	**0.1**	1,646	0.1	–28.8
Value-added services to non-property owners	**243,462**	**10.6**	214,129	10.6	13.7
Pre-delivery services	**229,345**	**10.0**	200,666	9.9	14.3
Consulting services	**6,159**	**0.3**	8,121	0.4	–24.2
Community space services	**7,958**	**0.3**	5,342	0.3	49.0
5S value-added services	**655,028**	**28.5**	652,542	32.2	0.4
Youjia services	**63,032**	**2.7**	47,932	2.4	31.5
Youju services	**555,363**	**24.2**	573,788	28.3	–3.2
Youxiang living services	**36,633**	**1.6**	30,822	1.5	18.9
Total	**2,298,391**	**100.0**	2,025,041	100.0	13.5

Property management services consist of security, cleaning, gardening, repair, maintenance, land management and ancillary services. Revenue generated amounted to RMB1,399.9 million, representing an increase of 20.8% as compared with RMB1,158.4 million for the corresponding period of 2025. It was the Group's main source of revenue and accounted for 60.9% of total revenue for the six months ended 30 June 2026. The increase in revenue was mainly due to an increase in the number of projects as the Group expands its businesses. Revenue generated from the provision of property management services to properties developed by Binjiang Group was RMB694.2 million, representing a year-on-year increase of 19.2% compared with RMB582.3 million for the corresponding period of 2025, and accounted for 49.6% of revenue from property management services during the Reporting Period.

Value-added services to non-property owners mainly include pre-delivery services, consulting services and community space services. Revenue generated amounted to RMB243.5 million, representing an increase of 13.7% compared with RMB214.1 million for the corresponding period of 2025, and accounted for approximately 10.6% of the Group's total revenue. The increase in revenue was mainly attributable to a rise in the volume of businesses undertaken during the Reporting Period as compared with the corresponding period of last year.

5S Value-added services are mainly composed of Youjia services, Youju services and Youxiang living services. Revenue generated amounted to RMB655.0 million, representing an increase of 0.4% as compared with RMB652.5 million for the corresponding period of 2025, and accounted for approximately 28.5% of the Group's total revenue. Among them, revenue from Youju services was RMB555.4 million, representing a decrease of 3.2% compared with RMB573.8 million for the corresponding period of 2025, mainly due to differences in the total output value of projects recognised for revenue during the Reporting Period versus those in the corresponding period of last year.

Gross profit and gross profit margin

Based on the above factors, during the Reporting Period, the Group's gross profit increased by 4.9% from RMB455.1 million for the six months ended 30 June 2025 to RMB477.3 million for the six months ended 30 June 2026. The Group's gross profit margin decreased by 1.7 percentage points from 22.5% for the six months ended 30 June 2025 to 20.8% for the six months ended 30 June 2026.

	Six months ended 30 June					
	2026			2025		
	Gross profit	**Gross profit margin**	**% of gross profit**	Gross profit	Gross profit margin	% of gross profit
	RMB'000	**%**	**%**	*RMB'000*	%	%
Property management services	**238,548**	**17.0**	**50.0**	210,413	18.2	46.2
Value-added services to non-property owners	**77,599**	**31.9**	**16.2**	74,219	34.7	16.3
5S value-added services	**161,121**	**24.6**	**33.8**	170,444	26.1	37.5
Total	**477,268**	**20.8**	**100.0**	455,076	22.5	100.0

Gross profit of property management services increased by 13.4% from RMB210.4 million for the six months ended 30 June 2025 to RMB238.5 million for the six months ended 30 June 2026. Gross profit margin decreased by 1.2 percentage points from 18.2% for the six months ended 30 June 2025 to 17.0% for the six months ended 30 June 2026, mainly because labour costs rose, and the Group attached great importance to service quality and increased investment in management.

Gross profit of value-added services to non-property owners increased by 4.6% from RMB74.2 million for the six months ended 30 June 2025 to RMB77.6 million for the six months ended 30 June 2026. Gross profit margin decreased by 2.8 percentage points from 34.7% for the six months ended 30 June 2025 to 31.9% for the six months ended 30 June 2026. The decrease in gross profit margin was mainly due to the downward adjustment of overall fee levels across the upstream real estate development industry.

Gross profit of 5S value-added services decreased by 5.5% from RMB170.4 million for the six months ended 30 June 2025 to RMB161.1 million for the six months ended 30 June 2026. Gross profit margin decreased by 1.5 percentage points from 26.1% for the six months ended 30 June 2025 to 24.6% for the six months ended 30 June 2026. The decrease in gross profit margin was mainly due to a decline in the gross profit margin of Youjia services compared with the same period last year.

Cost of sales

During the Reporting Period, the Group's cost of sales increased by 16.0% from RMB1,570.0 million for the six months ended 30 June 2025 to RMB1,821.1 million for the six months ended 30 June 2026, mainly due to the growth of business scale, leading to an overall relative increase in cost of sales.

Selling and marketing expenses

During the Reporting Period, the Group's selling and marketing expenses increased by 13.3% from RMB11.3 million for the six months ended 30 June 2025 to RMB12.8 million for the six months ended 30 June 2026, mainly due to the increase in business expansion expenses.

Administrative expenses

During the Reporting Period, the Group's administrative expenses increased by 10.5% from RMB46.6 million for the six months ended 30 June 2025 to RMB51.5 million for the six months ended 30 June 2026, mainly due to strengthened group management and talent echelon development.

Impairment losses on trade receivables

During the Reporting Period, the Group's impairment losses on trade receivables increased by 23.1% from RMB26.4 million for the six months ended 30 June 2025 to RMB32.5 million for the six months ended 30 June 2026, mainly because of the increase in trade receivables from independent third-party businesses, resulting in an increase in provision for bad debts.

Net finance income

During the Reporting Period, the Group's finance income represented interest income on bank deposits. The finance income was RMB35.7 million for the six months ended 30 June 2026, remaining largely unchanged from RMB35.4 million for the six months ended 30 June 2025. The finance costs amounted to RMB0.1 million for the six months ended 30 June 2026, remaining stable as compared with RMB0.1 million for the six months ended 30 June 2025. As a result, the net finance income remained largely unchanged from RMB35.4 million for the six months ended 30 June 2025 to RMB35.6 million for the six months ended 30 June 2026.

Share of profits less losses of associates and share of profits less losses of joint ventures

During the Reporting Period, the Group's share of profits less losses of associates and share of profits less losses of joint ventures was profit of RMB3.0 million, representing an increase as compared with profit of RMB0.5 million for the six months ended 30 June 2025.

Profit before taxation

During the Reporting Period, the Group's profit before taxation was RMB429.0 million, representing an increase of 3.6% as compared with RMB414.2 million for the corresponding period of 2025, mainly due to the increase in the operation gross profit in the Reporting Period.

Income tax

During the Reporting Period, the Group's income tax was RMB106.9 million, representing a decrease of 1.7% as compared with RMB108.7 million for the corresponding period of 2025, mainly due to the slight decrease of effective tax rate of the Group.

Profit for the Period

During the Reporting Period, the Group's profit was RMB322.1 million, representing an increase of 5.4% as compared with RMB305.6 million for the corresponding period of 2025, mainly due to an increase of the Group's business volume. The profit for the period attributable to equity shareholders of the Company was RMB315.0 million, representing an increase of 5.8% as compared with RMB297.7 million for the corresponding period of 2025. Net profit margin was 14.0%, decreasing by 1.1 percentage points from 15.1% for the corresponding period of 2025.

Current assets, financial resources and current ratio

The Group maintained a sound financial condition during the Reporting Period. As at 30 June 2026, current assets were RMB4,908.6 million, representing an increase of 4.6% as compared with RMB4,694.6 million as at 31 December 2025.

The Group's cash and cash equivalents as at 30 June 2026 were RMB750.8 million, representing a decrease of 15.7% as compared with RMB890.5 million as at 31 December 2025. This was mainly due to the increase in financial assets measured at fair value through profit or loss as compared with the end of last year driven by the Group's capital allocation management. As at 30 June 2026, the current ratio was 1.4, which remained largely unchanged as 1.5 as at 31 December 2025.

As at 30 June 2026, the Group had bank loans of approximately RMB2.9 million, which were repayable on demand within one year. All borrowings were denominated in RMB and the borrowing rates were fixed (31 December 2025: Nil).

As at 30 June 2026, the total equity of the Group was RMB1,796.4 million, representing an increase of 2.9% as compared with RMB1,745.5 million as at 31 December 2025. This was mainly due to the increase in business scale and profit from operations.

Contract liabilities

As at 30 June 2026, the contract liabilities of the Group were RMB1,847.4 million, representing an increase of 4.4% as compared with RMB1,768.7 million as at 31 December 2025. This was mainly due to the increase in the number of projects and an increase of RMB427.4 million in the prepayment of property fees.

Property, plant and equipment

As at 30 June 2026, the property, plant and equipment of the Group was RMB55.6 million, representing an increase of 7.5% as compared with RMB51.7 million as at 31 December 2025. This was mainly due to a slight increase in assets driven by the growth of business scale.

Inventories

As at 30 June 2026, the inventories of the Group were RMB305.3 million, representing a decrease of 8.3% as compared with RMB333.0 million as at 31 December 2025. This was mainly due to the sales of parking space inventory during the Reporting Period.

Contingent liabilities

The Group did not have any contingent liabilities as at 30 June 2026 and 31 December 2025.

Pledged assets

The Group did not have any pledged assets as at 30 June 2026 and 31 December 2025.

Trade and other receivables

As at 30 June 2026, trade and other receivables amounted to RMB1,077.7 million, representing an increase of RMB317.3 million and 41.7% as compared with RMB760.4 million as at 31 December 2025, mainly due to the increase in accounts receivable as a result of business scale expansion of the Group and the collection pattern of the industry.

Trade and other payables

As at 30 June 2026, trade and other payables amounted to RMB1,377.0 million, representing an increase of RMB92.0 million and 7.2% as compared with RMB1,285.0 million as at 31 December 2025, mainly due to the expansion of the Group's business scale.

Financial assets measured at fair value through profit or loss

As at 30 June 2026, the wealth management product(s) newly purchased by the Group during the Reporting Period from the same financial institution accounted for less than 5% of the Group's total assets.

Human resources

As at 30 June 2026, the Group employed a total of 18,288 employees (as at 31 December 2025: 16,853 employees). During the Reporting Period, the staff costs of the Group were RMB831.4 million (six months ended 30 June 2025: RMB703.2 million).

The Group's remuneration packages for employees are determined based on their duties, qualifications, individual performance and current market standards. The discretionary bonus paid to employees, based on the performance of individual employees, recognized and rewarded their contributions. The Group has implemented and will continue to implement various employee recognition initiatives and rewards. The Group also makes social security contributions (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing provident fund contributions for its employees or makes regular contributions to Mandatory Provident Fund schemes for its employees. During the Reporting Period, the Group also provided its staff with systematic and extensive training plans and promotion and rotation programs.

Significant investments

The Company did not have any significant investments (including significant investments which accounted for 5% or more of the total assets of the Group) during the Reporting Period.

Details about material acquisitions and disposals of subsidiaries, associates and joint ventures

During the Reporting Period, the Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures.

Future plans for material investments or capital assets

As of 30 June 2026, the Group had no plan for material investments or capital assets.

Treasury policies

During the Reporting Period, the Group has adopted a prudent financial management approach towards its treasury policies to ensure the liquidity requirements from daily operation as well as capital expenditures are met. The Board closely monitors the Group's liquidity positions, while surplus cash is invested appropriately with the consideration of the credit risks, liquidity risks and market risks of the financial instruments. For example, the Group placed a certain amount of cash as bank deposits with maturity over three months to increase interest income while securing liquidity mentioned above.

Capital structure

During the Reporting Period, there was no change in the capital structure of the Company. The capital of the Company comprises ordinary shares and other reserves.

Exposure to foreign exchange risks

The Group is exposed to foreign exchange risks primarily through sales and purchases that are denominated in a currency other than the respective functional currencies of the Group's entities.

The functional currency of the Company, the subsidiaries in the British Virgin Islands and the subsidiaries in Hong Kong is HK$. Their businesses are principally conducted in HK$. In addition, as the HK$ is pegged to the US$, the Group considers the risk of movements in exchange rates between the HK$ and the US$ to be insignificant.

The primary functional currency and primary operating currency of the Group are RMB. Therefore, the Group considers the exposure to foreign exchange risks to be insignificant. Currently, the Group did not enter into any hedging transaction agreements.

INTERIM DIVIDEND

After considering the Group's positive business development and the returns to the Shareholders, the Board resolved to declare an interim dividend for the six months ended 30 June 2026 of HK$0.922 per share and no withholding of any tax will be made by the Company. Shareholders are required to deal with the filing and payment of tax with the relevant tax authority. The dividend ratio of its net profit attributable to equity shareholders of the Company is approximately 70%, while the interim dividend amounted to approximately HK$254.8 million in total. The interim dividend is expected to be paid to the Shareholders on Thursday, 28 January 2027. The Company does not currently hold any treasury shares (including any treasury shares held or deposited with Central Clearing and Settlement System) and treasury shares, if any, would not receive the dividends or distributions.

For the purpose of determining the Shareholders who are entitled to the rights of the interim dividend, the register of members of the Company will be closed from Thursday, 14 January 2027 to Thursday, 21 January 2027 (both days inclusive). The record date for determining Shareholders' entitlement to interim dividends will be Thursday, 21 January 2027. Shareholders whose names appear on the register of members of the Company on that date will be entitled to the rights of the interim dividend. To be eligible to receive the interim dividend, all completed transfer documents together with the relevant share certificates must be returned to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration, no later than 4:30 p.m. on Wednesday, 13 January 2027.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability of the Company. During the six months ended 30 June 2026, the Company has adopted and complied with all applicable code provisions under the Corporate Governance Code (the "**CG Code**") in Appendix C1 to the Rules (the "**Listing Rules**") Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), except for the following deviation:

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. However, the Company does not have a separate chairman and chief executive officer and the responsibility of both chairman and chief executive officer vest in Mr. Yu Zhongxiang. The Board believes that vesting the responsibilities of both chairman and chief executive officer in the same person has the benefit of ensuring the consistent leadership within the Group and enables more effective and efficient overall strategic planning of the Group. Besides, with three independent non-executive Directors out of a total of eight Directors in the Board, there will be sufficient independent voice within the Board to protect the interests of the Company and the Shareholders as a whole. In addition, all decisions of the Board shall be passed by a majority vote. Therefore, the Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure enables the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

Save as disclosed above, the Company complied with the CG Code throughout the Reporting Period. The Company will continue to strictly abide by the corporate governance requirements under the CG Code and the Listing Rules.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Company has established the Audit Committee in compliance with the Listing Rules to perform the functions of reviewing and monitoring the financial reporting and internal control of the Company. The Audit Committee currently consists of three independent non-executive Directors, namely, Ms. Cai Haijing, Mr. Ding Jiangang and Mr. Li Kunjun. Ms. Cai Haijing is the chairperson of the Audit Committee.

The Audit Committee has reviewed with the management of the Company this interim result for the Reporting Period and the accounting principles and practices adopted by the Group and discussed auditing, risk management, internal control and financial statements matters, including the review of the consolidated financial statements of the Group for the six months ended 30 June 2026.

INDEPENDENT REVIEW OF AUDITOR

The interim financial information for the six months ended 30 June 2026 is unaudited, but has been reviewed by KPMG, 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, whose unmodified review report is included in the forthcoming interim report to be published.

MODEL CODE FOR DIRECTOR'S SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions of the Directors and employees (the "**Securities Transaction Code**"). The Company has made specific enquiry with all Directors whether they have complied with the required standards set out in the Model Code and all Directors confirmed that they have complied with the Model Code and the Securities Transaction Code for the six months ended 30 June 2026.

The Company's employees, who are likely to be in possession of inside information of the Company, must also comply with the Securities Transaction Code. During the six months ended 30 June 2026, no incident of non-compliance of the Securities Transaction Code by the Company's relevant employees was noted by the Company.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sales of treasury shares (as defined under the Listing Rules)) during the six months ended 30 June 2026. As of the end of the Reporting Period, the Company did not hold any treasury share.

EVENTS AFTER THE REPORTING PERIOD

On 20 August 2026, the Board resolved to declare an interim dividend for the six months ended 30 June 2026 of HK$0.922 per share.

Save as disclosed above, subsequent to the Reporting Period and up to the date of this announcement, there are no matters that have a significant impact on the Group that need to be disclosed.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT ON THE WEBSITES OF STOCK EXCHANGE AND THE COMPANY

This interim results announcement has been published on the websites of the Stock Exchange at (www.hkexnews.hk) and the Company at (http://www.hzbjwy.com), respectively. The interim report of the Company for the Reporting Period, which contains all information required by the Listing Rules, will be published on the websites of the Stock Exchange and the Company in due course.

By Order of the Board
Binjiang Service Group Co. Ltd.
Yu Zhongxiang
Chairman and Executive Director

Hong Kong, the PRC
20 August 2026

As at the date of this announcement, the executive Directors are Mr. Yu Zhongxiang, Mr. Qi Jiaqi and Ms. Zhong Ruoqin; the non-executive Directors are Mr. Mo Jianhua and Mr. Cai Xin; and the independent non-executive Directors are Mr. Ding Jiangang, Mr. Li Kunjun and Ms. Cai Haijing.