Kaisa Prosperity Holdings Limited
佳兆業美好集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2168)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

INTERIM RESULTS HIGHLIGHTS

- Total revenue for the six months ended 30 June 2026 decreased by approximately 4.3% to approximately RMB786.5 million from approximately RMB822.0 million for the six months ended 30 June 2025.

- Gross profit for the six months ended 30 June 2026 decreased by approximately 2.8% to approximately RMB198.3 million from approximately RMB203.9 million for the six months ended 30 June 2025.

- Profit and total comprehensive income for the six months ended 30 June 2026 decreased by approximately 8.2% to approximately RMB49.0 million from approximately RMB53.4 million for the six months ended 30 June 2025.

- As at 30 June 2026, the total contracted GFA of property management and the total GFA under management amounted to approximately 124.5 million sq.m. and 98.8 million sq.m., representing a decrease of approximately 0.2% and a decrease of approximately 0.3%, respectively, as compared to approximately 124.8 million sq.m. and 99.1 million sq.m. as at 31 December 2025.

The board (the "**Board**") of directors (the "**Directors**") of Kaisa Prosperity Holdings Limited (the "**Company**" or "**Kaisa Prosperity**") announced the unaudited interim results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2026 (the "**Reporting Period**"), together with the comparative figures for the corresponding period in 2025.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		(Unaudited) Six months ended 30 June	
		2026	2025
	Notes	***RMB'000***	*RMB'000*
Revenue	*5*	**786,540**	822,001
Direct operating expenses		**(588,259)**	(618,105)
Gross profit		**198,281**	203,896
Other income, gains and losses, net	*6*	**2,754**	(1,639)
Selling and marketing expenses		**(3,915)**	(5,229)
Administrative expenses		**(72,740)**	(77,615)
Impairment of financial assets and contract assets	*7*	**(50,390)**	(48,054)
Operating profit		**73,990**	71,359
Change in fair value loss on financial assets at fair value through profit or loss	*12*	**(20,576)**	(3,000)
Share of results of associates		**10,156**	5,314
Finance cost		**(46)**	(63)
Profit before income tax	*7*	**63,524**	73,610
Income tax expense	*8*	**(14,533)**	(20,221)
Profit and total comprehensive income for the period		**48,991**	53,389
Profit and total comprehensive income for the period attributable to:			
Owners of the Company		**41,893**	47,821
Non-controlling interests		**7,098**	5,568
		48,991	53,389
Earnings per share attributable to owners of the Company (expressed in RMB per share)			
Basic and diluted	*9*	**0.27**	0.31

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	**(Unaudited) As at 30 June 2026**	(Audited) As at 31 December 2025
		RMB'000	*RMB'000*
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	*11*	**20,290**	16,135
Right-of-use assets		**151,669**	159,603
Intangible assets		**12,252**	14,995
Goodwill		**136,450**	136,450
Financial assets	*12*	**17,735**	38,311
Investments in associates		**58,753**	49,476
Other receivables	*13*	**7,503**	4,611
Deferred tax assets		**421,793**	404,052
		826,445	823,633
Current assets			
Trade receivables	*13*	**545,812**	477,566
Other receivables	*13*	**123,637**	84,796
Payments on behalf of residents		**167,919**	168,612
Contract assets		**42,164**	43,844
Amounts due from related parties		**11,002**	12,597
Restricted cash		**12,626**	9,497
Cash and cash equivalents		**181,787**	214,069
		1,084,947	1,010,981
Current liabilities			
Trade payables	*14*	**234,488**	228,642
Other payables	*14*	**332,617**	317,396
Contract liabilities		**229,776**	218,768
Amounts due to related parties		**9,223**	9,209
Lease liabilities		**1,415**	1,763
Income tax payable		**81,256**	80,060
		888,775	855,838

	Notes	(Unaudited) As at 30 June 2026 RMB'000	(Audited) As at 31 December 2025 RMB'000
Net current assets		**196,172**	155,143
Total assets less current liabilities		**1,022,617**	978,776
Non-current liabilities			
Other payables	*14*	**8,550**	7,624
Lease liabilities		**–**	563
Deferred tax liabilities		**6,638**	7,424
		15,188	15,611
Net assets		**1,007,429**	963,165
EQUITY			
Share capital		**1,361**	1,361
Reserves		**925,710**	883,817
Equity attributable to owners of the Company		**927,071**	885,178
Non-controlling interests		**80,358**	77,987
Total equity		**1,007,429**	963,165

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. CORPORATE INFORMATION

Kaisa Prosperity Holdings Limited (the "**Company**") was incorporated in the Cayman Islands on 13 October 2017 as an exempted company with limited liability under the Companies Law.

The Company's immediate holding company is Ye Chang Investment Company Limited ("**Ye Chang Investment**"), an investment company incorporated in the British Virgin Islands ("**BVI**"), whereas the directors of the Company consider that Kaisa Group Holdings Ltd. ("**Kaisa Holdings**") as the Company's ultimate holding company, a company incorporated in the Cayman Islands with its shares listed on the Main Board of The Stock Exchange.

The Company acts as an investment holding company. The Company and its subsidiaries (together, the "**Group**") engage in the provision of property management services, which includes management of properties, maintenance and repair of buildings and ancillary facilities, community security management, car-park management, equipment installation, and property consulting services.

All values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

The English names of all the companies established in the PRC presented in these consolidated financial statements represent the best efforts made by the directors of the Company for the translation of the Chinese names of these companies to English names as they do not have official English names.

2. BASIS OF PREPARATION

These unaudited condensed consolidated interim financial information for the six months ended 30 June 2026 have been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange and the Hong Kong Accounting Standard ("**HKAS**") 34, "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). The unaudited condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2025, which have been prepared in accordance with the Hong Kong Financial Reporting Standards ("**HKFRS Accounting Standards**") issued by the HKICPA.

3. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to HKFRS Accounting Standards that are mandatorily effective for annual periods beginning or after 1 January 2026

The condensed consolidated interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with the accounting policies adopted in the Group's annual financial statements for the year ended 31 December 2025, except for the adoption of the following amendments to HKFRS Accounting Standards which are effective as of 1 January 2026. The Group has not early adopted any other standards, interpretation or amendment that has been issued but is not yet effective.

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

The adoption of the amendments to HKFRS Accounting Standards had no material impact on how the results and financial position of the Group for the current and prior periods have been prepared and presented.

4. SEGMENT INFORMATION

(a) Operating segment information

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker (the "**CODM**"). The CODM, who is responsible for allocating resources and assessing the performance of the operating segment, has been identified as the executive directors of the Company.

For the six months ended 30 June 2026 and 2025, the Group mainly engaged in the provision of property management services, value-added services to property owners and non-property owners in the PRC. Management reviews the operating results of the business as one operating segment to make decisions about resources allocations. Therefore, the CODM of the Company regards that there is only one segment which is used to make strategic decisions. Accordingly, no operating segment information regarding the Group's revenue, reported results, total assets and total liabilities was presented.

(b) Geographical segment information

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

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

(c) Information about major customers

For the six months ended 30 June 2026 and 30 June 2025, none of the Group's customers accounted for more than 10% of the Group's total revenue.

5. REVENUE

Revenue represents the amount received and receivable for goods sold and services provided by the Group to outside customers, less discounts, returns and value added tax or other sales taxes.

Revenue mainly comprises:

(a) Property management services – provision of property management services to property projects mainly located in Guangdong, Hong Kong, Macau Bay Area, Yangtze River Delta, Bohai Economic Rim, Western China and Central China.

(b) Value-added services to property owners – provision of community added services to property owners.

(c) Value-added services to non-property owners – services including: (i) provision of pre-delivery services, such as construction sites management services and display units and property sales venues management services; (ii) consulting services to other property management companies; and (iii) smart solution services.

Disaggregation of revenue from contracts with customers

(i) ***The Group derives revenue from the transfer of goods and services by categorise of major product lines and business***

	(Unaudited) Six months ended 30 June			
	2026		2025	
	Revenue	**Direct operating expenses**	Revenue	Direct operating expenses
	RMB'000	***RMB'000***	*RMB'000*	*RMB'000*
Revenue from contracts with customers				
Property management services	**690,928**	**543,432**	694,653	545,280
Value-added services to property owners	**71,873**	**20,923**	80,339	32,048
Value-added services to non-property owners*	**23,739**	**23,904**	47,009	40,777
	786,540	**588,259**	822,001	618,105

* The amounts include pre-delivery and consulting services and smart solution services.

(ii) ***The Group derives revenue from the transfer of goods and services by timing of revenue recognition***

	(Unaudited) Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Timing of revenue recognition		
Over time	**782,475**	809,756
At point in time	**4,065**	12,245
	786,540	822,001

(iii) ***The Group derives revenue from the transfer of goods and services by geographical market***

Information about the Group derives revenue from the transfer of goods and services by geographical markets is set out in note 4.

6. OTHER INCOME, GAINS AND LOSSES, NET

	(Unaudited) Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Unconditional government subsidy income	**884**	1,268
Gains (losses) on disposal of property, plant and equipment	**7**	(111)
Recovery of written-off (written-off) of uncollectible receivables	**305**	(1,394)
Exchange gains and losses, net	**30**	(28)
Others	**1,528**	(1,374)
	2,754	(1,639)

7. PROFIT BEFORE INCOME TAX

Profit before income tax has been arrived at after charging (crediting):

	(Unaudited) Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Staff cost, including directors' remuneration	**336,463**	319,471
Wages, salaries and other benefits		
– Performance bonus	**–**	–
– Contributions to defined contribution retirement schemes	**28,515**	31,758
	364,978	351,229
Amortisation and depreciation on:		
– Property, plant and equipment	**1,718**	2,683
– Right-of-use assets	**7,934**	8,876
– Intangible assets	**2,743**	2,743
	12,395	14,302
Provision for (Reversal of) impairment of financial assets and contract assets comprises:		
– Trade receivables	**45,746**	38,683
– Other receivables	**(2,529)**	1,448
– Payments on behalf of residents	**6,712**	9,436
– Contract assets	**461**	(1,513)
	50,390	48,054
Others:		
Auditor's remunerations	**177**	207
Short-term leases with lease term less than 12 months	**1,416**	3,434
Change in fair value on financial assets at fair value through profit or loss	**20,576**	3,000

8. INCOME TAX EXPENSE

	(Unaudited) Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Current income tax		
PRC Corporate Income Tax	**32,960**	33,670
Deferred tax credit		
Origination and reversal of temporary differences	**(18,427)**	(13,449)
	14,533	20,221

9. EARNINGS PER SHARE

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

	(Unaudited) Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Profit and total comprehensive income for the period attributable to owners of the Company	**41,893**	47,821

Number of shares

	(Unaudited) Six months ended 30 June	
	2026	2025
	(number of shares '000)	
Weighted average number of ordinary shares in issue	**154,110**	154,110

The computation of diluted earnings per share for the six months ended 30 June 2026 and 2025 does not assume the conversion of the Company's outstanding share options granted on 19 July 2019 because the average market price of the share is lower than the adjusted exercise price of those share option.

10. DIVIDEND

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

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group has an addition of items of property, plant and equipment with a cost of RMB6,361,000 (30 June 2025: RMB1,606,000).

Items of property, plant and equipment with a net book value of RMB488,000 (30 June 2025: RMB629,000) were disposed of during the six months ended 30 June 2026, resulting in a gain on disposal of RMB7,000 (30 June 2025: loss on disposal of RMB111,000).

12. FINANCIAL ASSETS

	(Unaudited) **At** **30 June** **2026** ***RMB'000***	(Audited) At 31 December 2025 *RMB'000*
Financial assets at fair value through profit or loss ("FVTPL")		
– Contractual rights on Properties *(Note)*	**17,735**	38,311

Note:

Financial assets at FVTPL – Contractual rights on Properties

The amount represents consideration paid for an exclusive right to sell certain non-residential properties in the PRC (the "**Properties**") for a five-year period since December 2021. Pursuant to the relevant contractual arrangements, a subsidiary of the Company is entitled to 70% of the excess of the selling price over the agreed minimum price with the counterparties to the contractual arrangements. The subsidiary also has the right to receive rental income arising from the Properties before the Properties are sold. The amount paid by the Group in prior years is refundable in case of any shortfall as stipulated in details in the related contractual arrangements.

The directors of the Company considered that the operations under the abovementioned exclusive right namely, the provision of sale services, form part of the Group's ordinary course of business. Since the contractual arrangements give the Group a contractual right to receive cash which are variable as described above, the asset is considered as a financial asset at fair value through profit or loss.

In view of the unexpected slow recovery of the PRC economy in the current year, with reference to a valuation conducted by an independent professional valuer, a further fair value loss of approximately RMB20,576,000 (30 June 2025: RMB3,000,000) was recognised in the profit or loss during the six months ended 30 June 2026.

13. TRADE AND OTHER RECEIVABLES

	(Unaudited) As at 30 June 2026 *RMB'000*	(Audited) As at 31 December 2025 *RMB'000*
Trade receivables		
– Third parties	**675,965**	597,517
– Related parties	**1,001,553**	966,009
	1,677,518	1,563,526
Less: loss allowance for trade receivables	**(1,131,706)**	(1,085,960)
	545,812	477,566
Other receivables		
Other deposits	**19,498**	19,276
Prepayments	**70,869**	21,855
Payments on behalf of staff	**15,188**	13,995
Payments on behalf of residents under lump-sum basis	**13,854**	26,786
Others	**24,130**	22,423
	143,539	104,335
Less: loss allowance for other receivables	**(12,399)**	(14,928)
Total other receivables	**131,140**	89,407
Analysed as:		
– Current	**123,637**	84,796
– Non-current	**7,503**	4,611
	131,140	89,407

Notes:

(a) Property management services income is recognised in accordance with the terms of the relevant service agreements and due for payment upon the issuance of demand note. Value-added services to non-property owners are recognised in accordance with the terms of the relevant service agreements, and the Group normally allows an average credit period ranged from 0 days to 90 days to its customers.

(b) The ageing analysis of the trade receivables before loss allowances based on the invoice date is as follows:

	(Unaudited) At 30 June 2026 *RMB'000*	(Audited) At 31 December 2025 *RMB'000*
Within 180 days	**335,544**	265,293
181-365 days	**185,229**	163,682
1-2 years	**266,095**	274,898
2-3 years	**271,045**	393,075
Over 3 years	**619,605**	466,578
	1,677,518	1,563,526

14. TRADE AND OTHER PAYABLES

	(Unaudited) As at 30 June 2026 *RMB'000*	(Audited) As at 31 December 2025 *RMB'000*
Trade payables		
– Third parties	**229,841**	223,975
– Related parties	**4,647**	4,667
	234,488	228,642
Other payables		
Consideration payables for acquisition of subsidiaries in prior years	**5,400**	5,400
Accrued staff costs	**101,500**	87,384
Other tax payables	**3,362**	2,109
Deposits received	**87,325**	89,566
Receipt on behalf of residents	**107,734**	104,304
Others payables and accruals	**35,846**	36,257
Total other payables	**341,167**	325,020
Analysed as:		
– Current	**332,617**	317,396
– Non-current	**8,550**	7,624
	341,167	325,020

Included in trade payables were amounts due to the Group's suppliers. The outstanding balances were trading in nature and credit periods ranging from 30–180 days were granted.

Based on the invoice dates, the ageing analysis of the trade payables is as follows:

	(Unaudited) As at 30 June 2026 *RMB'000*	(Audited) As at 31 December 2025 *RMB'000*
Within 90 days	**83,281**	100,277
91-180 days	**45,060**	40,953
181-270 days	**32,547**	21,601
271-365 days	**21,005**	15,726
Over 365 days	**52,595**	50,085
	234,488	228,642

15. LEASE COMMITMENTS

The Group as lessee

At the reporting date, the lease commitments for short-term leases are as follows:

	(Unaudited) As at 30 June 2026 *RMB'000*	(Audited) As at 31 December 2025 *RMB'000*
Within one year	**4,090**	3,312

As at 30 June 2026 and 31 December 2025, the Group leases staff quarters and offices with a lease period of one to twelve months.

The Group as lessor

At the reporting date, the Group had future aggregate minimum lease receipts under non-cancellable operating leases in respect of buildings as follows:

	(Unaudited) As at 30 June 2026 *RMB'000*	(Audited) As at 31 December 2025 *RMB'000*
Within one year	**1,875**	399
In the second to fifth years	**2,085**	112
	3,960	511

The leases run for an initial period of one to five years, with an option to renew the lease and renegotiate the terms at the expiry date or at dates mutually agreed between the Group and respective tenants. None of the leases include contingent rentals.

CHAIRMAN'S STATEMENT

BUSINESS REVIEW AND PROSPECTS

In the first half of 2026, departments in all regions across the country earnestly implemented the decisions and arrangements made by the central leadership. They intensified efforts to build a new development paradigm, with a firm focus on promoting high-quality development, while also rolling out more proactive and effective macro policies. As a result, China's economy demonstrated strong resilience. According to preliminary estimates, China's gross domestic product (GDP) reached RMB69,570.4 billion for the first half of the year, representing a year-on-year growth of approximately 4.7%.

In 2026, the focus of China's real estate sector is on stabilizing the market and halting the downturn, while pursuing high-quality development. A steady stream of supportive policies have been rolled out, which have been repeatedly cited by Qiushi (literally Seeking Truth), an authoritative theoretical journal of the Communist Party of China (CPC).

In January 2026, Qiushi published an article titled Improving and Stabilizing Real Estate Market Expectations (《改善和穩定房地產市場預期》). The article stressed that the real estate sector "holds a pivotal position in national economic development". It explicitly acknowledged real estate's "role as a financial asset" for the first time, and put forward policy guidelines to "shorten the adjustment cycle as much as possible to smooth market volatility" and "introduce comprehensive policy packages in one go", setting the annual policy tone for the real estate sector. In March 2026, another article in Qiushi placed emphasis on "anchoring price expectations", identifying the stabilisation of the real estate market as one of the core priorities. It stressed the need for "stronger and more targeted" measures to sustain market stability, and pointed out that the prolonged adjustment of the real estate sector was dragging down corporate profitability and household income growth. In June 2026, Qiushi clearly pointed out that the "reduced wealth effects" stemming from the deep real estate downturn is the main drag on consumption. It introduced new formulations including "accelerating the repair of household balance sheets" and "preventing a vicious downward spiral where falling asset prices erode consumer sentiment". This elevated the stabilisation of the real estate market to a pivotal lever for boosting domestic consumption.

At the policy level, a full suite of supporting measures including interest rate cuts and tax & fee reductions were further rolled out. Meanwhile, local governments were granted greater regulatory autonomy to remove or optimise various restrictions on home purchases. On 29 April 2026, Shenzhen issued the Notice on Further Optimising and Adjusting the City's Real Estate-Related Policies (《關於進一步優化調整本市房地產相關政策的通知》). The notice further relaxed housing purchase restrictions in core districts and refined housing provident fund loan rules. On 30 April 2026, Guangzhou released the Implementation Opinions on Further Promoting the Stable and Healthy Development of the Real Estate Market (《關於進一步促進房地產市場平穩健康發展的實施意見》), which included a wide range of measures:

raising housing provident fund loan limits, introducing special subsidies for “residents trading old homes for new ones”, expanding the applicable scope of housing vouchers, accelerating urban village redevelopment, continuing the renovation of ageing residential compounds, pushing forward the construction of complete communities, steadily advancing resident-led renewal of aged housing, carrying out in-situ demolition and rebuilding of dilapidated buildings, and orderly upgrading underutilised commercial buildings.

In the first half of 2026, the property management industry underwent structural adjustment. Multiple driving forces jointly brought about this shift: top-down overhaul of national legislative frameworks, industry reshuffling following intensive roll-out of new local regulations, growing rights awareness among property owners, and continuous attempts to innovate service models. The industry left behind its “golden era” marked by extensive expansion and entered an era of intensive operation targeting the existing property stock, characterised by rule-based governance, transparency and service orientation.

In March 2026, the State Council included the revision of the Regulation on Property Management (《物業管理條例》) in the preparatory items of its annual legislative work plan. This marks the most substantial overhaul of the Regulation since its last revision in 2007. Meanwhile, the Ministry of Housing and Urban-Rural Development (MOHURD) explicitly proposed renaming the regulation the Regulation on Property Services (《物業服務條例》). The shift from “management” to “services” signals a fundamental redefinition of the industry’s attributes at the legal level: property management companies act as service providers commissioned by property owners, rather than the “managers” or “governing entities” within residential compounds.

Against this backdrop, the property management sector has evolved from basic property services into a new engine driving consumption growth. The 15th Five-Year Plan for Expanding Consumption (2026-2030) (《擴大消費“十五五”規劃》) proposes an initiative to boost property service quality and diversify service coverage. Businesses extend services from the traditional four core property services (security, cleaning, landscaping upkeep, facility maintenance) to value-added services including elderly care and childcare, community domestic services, housing entrusted management and home-based care. Pursuant to the Plan, authorities press ahead with the development of urban embedded community service facilities, complete communities and 15-minute community life circles, with community convenient commercial facilities being incorporated into the scope of consumption infrastructure. By positioning communities as the final-mile access point for resident consumption, authorities accelerate the roll-out of convenient commercial facilities across communities, turning “the 15-minute community life circles” from a policy blueprint into tangible reality. In parallel, property management companies are transforming from nominal “managers” into “integrated lifestyle services providers”, serving as the critical bridge between housing consumption and lifestyle services consumption.

As one of the leading comprehensive urban service providers in China, Kaisa Prosperity has always taken “Prosperity is underway” (美好正在發生) as its guide and implemented the service concept of “With all one’s heart and mind” (用心力•全心意) to integrate the pursuit of quality into the entire process of property management, and refined various aspects of property management in a more scientific and effective manner by means of intelligent technology. To ensure the long-term stability of our operations, we have established a quality ethos of “Sincerity, Rigour, Pragmatism and Efficiency as well as Continuous Improvement” (至臻至誠，嚴謹規範，務實高效，持續改進). This drives consistent improvement of the quality of our services, earning customer trust and recognition, with our brand influence rising steadily. We stay committed to becoming a benchmark enterprise in smart property services.

In the first half of 2026, in the face of a complex and severe macroeconomic situation, through the dual-strategy of “Organic Growth + Independent Expansion”, the management scale of Kaisa Prosperity remained stable, amounting to a GFA under management of approximately 98.8 million square meters across 714 projects under management in 78 cities within 20 provinces. Kaisa Prosperity secured 61 new externally expanded projects covering a total GFA of approximately 2.5 million square meters. These projects are mainly located in economically developed regions of China such as the Yangtze River Delta and the Guangdong-Hong Kong-Macao Greater Bay Area, covering property types ranging from industrial parks, schools, residential premises and government office buildings to commercial properties and scenic spots.

Through persistent efforts, the Group has been recognised with numerous industry honors: “Top 20 Listed Property Management Companies in China 2026”, “Top 100 Property Service Companies in China by Comprehensive Strength 2026”, “Top 500 Property Service Companies in China by Comprehensive Strength 2026”, “Leading Residential Property Service Enterprise in China 2026”, and “Leading Premium Property Service Enterprise in China 2026”.

We are well-prepared for the economic shifts and the new landscape of the property management industry, and will continue to uphold the development vision of “Serving Beautiful China” to embrace future opportunities and challenges.

FINANCIAL SUMMARY

During the six months ended 30 June 2026, the Group’s revenue decreased by approximately RMB35.5 million to RMB786.5 million, representing a decrease of approximately 4.3% as compared with the corresponding period in 2025. In particular, revenue from property management services amounted to RMB690.9 million; revenue from value-added services to property owners amounted to RMB71.9 million; and revenue from value-added services to non-property owners amounted to RMB23.7 million.

During the six months ended 30 June 2026, the consolidated net profit decreased by approximately RMB4.4 million to RMB49.0 million, representing an decrease of approximately 8.2% as compared with the corresponding period in 2025.

During the six months ended 30 June 2026, the profit attributable to owners of the Company decreased by approximately RMB5.9 million to RMB41.9 million, representing a decrease of approximately 12.3% as compared with the consolidated net profit for the corresponding period in 2025.

ENRICHMENT OF SERVICE PORTFOLIOS AND MAINTENANCE OF FOUNDATIONAL SERVICES

During the Reporting Period, the Group focused on the "Whole portfolio and Whole cycle" (全業態、全週期) high-quality service scenarios, deepening vertical research on services and expanding horizontal breadth of services. While continuously enriching our property portfolio mix, we made new upgrades and released new service systems such as the "Kaisa Prosperity Service Five-star "1+3+5", Ten Scenarios, Three Windows Standardization Manual" (《佳服五星"1+3+5"、十大場景、三個窗口標準化手冊》). Our property service portfolios covered 9 property types, namely residential, commercial, office buildings, recreational stadiums, schools, high-end sales offices, hospitals, urban public buildings and cultural tourism. The Group has established a standardised steward management system to consolidate the pivotal role of customer service. We issued full-process guidelines for steward spanning training & development, star rating certification, organisational structuring, and data operations. These measures systematically upgrade stewards' professional competence, steadily elevate service quality, and enable closed-loop responses to customer demands.

LEVERAGING TECHNOLOGY TO DRIVE SMART UPGRADES IN PROPERTY SERVICES

The Group accelerated digital and technological transformation and established an integrated smart community system. Cleaning robots have been deployed at multiple commercial and office projects to address long-standing difficulties in cleaning management. Leveraging eagle-eye monitoring, AI recognition and contactless access, the Group built end-to-end smart security systems, shifting safety management from passive incident response to proactive early warning, and delivering continuous improvements in operational efficiency and safety governance.

The Group actively embraced AI technologies and built a digital operation system by integrating artificial intelligence and Internet of Things (AIoT) technologies. The Group has rolled out AI inspection technologies across 14 projects under management in Shenzhen. Leveraging intelligent AI video recognition, the system delivers round-the-clock automatic alerts for various hazards including smoke and flame outbreaks, high-rise object throwing, drowning risks, perimeter climbing, and illegal entry of electric vehicles into buildings. The alert response latency has been reduced from hours to seconds thanks to real-time AI video recognition, while smart work orders with precise location tracking reduced the response and resolution time from more than 30 minutes to within 5 minutes. A centralised management platform has also been deployed to enable portfolio-wide unified control on one screen. It facilitates data-driven decision-making, delivering lower costs, higher efficiency, upgraded safety and service quality alongside the digital transformation of operations.

OPERATING THE "PROSPERITY FUN" COMMUNITY IP AND BUILD A WARM COMMUNITY FOR ALL AGE GROUPS

In 2026, under the annual theme of "Prosperity FUN" (美好FUN), we provided comprehensive community cultural services across all life cycles, scenarios, and age groups. Leveraging the four major service systems of "FUN Life", "FUN Neighborhood", "FUN Charity", "FUN Sharing" (樂活FUN, 樂鄰FUN, 樂善FUN, 樂享FUN), we organized "1+4" types community cultural activities such as "Kaisa's Neighbors" (佳鄰•佳親). We anchored our initiatives around festival cycles, focusing on four key groups: children, seniors, youth, and pets. With the goal of building a community "first aid team", we have partnered with government emergency departments to launch the "rescue at hand, heartwarming property management" training activity. Focusing on the "elderly and the young", we established "Baby's Arrival at Kaisa" community childcare bases for infant group. Concurrently, we launched a special campaign for caring for empty nest elderly, making customized and long-term care schemes for each senior citizen, conducting regular home visits and delivering of consolation supplies. Through differentiated supporting services at both ends of children and the elderly, we aimed to build a complete and warm picture of an all-age happy community.

In terms of foundational service quality and service experience, the Group adopted "Focusing on Service Quality and Enhancing Satisfaction" as the main operational principles to maintain service quality, strictly control risks and bring new experience. We launched the "As Good As Ever, Start from the Heart" 3.0 Annual Quality Enhancement Initiative. We also carried out a series of quality enhancing campaigns, such as "Spring Breeze in Kaisa 3.0" (春風沐佳3.0), "Construction with Sincerity 3.0" (精誠築佳3.0), "Rejuvenating with Quality" (品質煥新) and "the Most Beautiful Garden" (最美園林) for projects under management. These campaigns enhanced landscaping, renovating, repairing and upgrading equipment and facilities of the community, conducting comprehensive "health checks" on older communities built over 10 years ago, and reviewing and refining key customer-facing roles and corresponding service standards, so as to continuously improve the living environment and customer experience.

To build a safe and secure community, Kaisa Prosperity launched safety-focused campaigns such as "100 Days of Safety" (百日安全), "No Accident in Summer Production" (夏季安全生產無事故) and "Constant Vigilance in Fire Safety" (消防警鐘長鳴). Through specialized training and emergency drills, we effectively improved employees' fire safety skills and risk response capabilities, while boosting fire safety awareness and emergency preparedness of property owners and residents through safety awareness campaigns. We continuously conducted "anti-riot patrols", deploying security personnel equipped with tactical antiriot gear to critical locations during peak hours. Our technology-empowered "Eagle Eye System" enables us to realize real-time on-site connection through the mobile phones at any time. We safeguard the safety of property owners and residents.

Driven by "love for residents and love for life", Kaisa Prosperity has installed AED first-aid equipment in certain projects across Shenzhen, Guangzhou, Dongguan, Huizhou, Jiangsu and Dongdaihe, and assisted customers to execute multiple emergency rescues through conducting operational trainings and emergency drills with employees as well as improving contingent rescue plans to reduce preventable fatalities in the service areas.

TRANSFORMATION FROM SPACE OPERATOR TO PREMIUM COMMUNITY LIFESTYLE SERVICE PROVIDER

The Group's community value-added services focus on mainstream sectors such as community space operations, community retail as well as health and wellness and child care, simultaneously laying out emerging business types such as pet services. The Group's overall operating strategy is streamlining low-efficiency businesses, deepening presence in private traffic, and establishing a standardized service system.

Community space operations serve as the stable cornerstone of the value-added services. Leveraging the potential customers, offline channels, and resource integration advantages brought by basic services and high-frequency services, the Company focuses on the operation of stock assets such as parking spaces, public venues and advertising spots. In the first half of the year, we optimized service standards and strengthened internal collaboration, launching a proprietary advertising pilot project in Huizhou and building a unified resource management and control system. In the future, we will deepen cooperation on charging piles to revitalize space assets and increase income.

In the community retail sector, the Group relies on the "K-Choice Goods" online platform to implement a direct-from-origin supply model, continuously strengthening user stickiness. The Company adopts a dual-track operating model which combines online platforms with offline physical stores, focusing on property owners' daily essential consumption needs. We have launched diverse convenient services such as community group purchase, brand selection as well as market fair exhibitions and sales, continuing to optimize the supply chain system so as to effectively increase property owners' repurchase rates and community service penetration. In the meantime, the Company deeply engages in a distinctive new retail business in Shenzhen, centering on linking top local brands. By cooperating with leading enterprises in sectors such as dairy, daily necessities and sun protection, the Company establishes a mature operating system characterized by "benchmark brand breakthrough, multi-category linkage, offline experience and community repurchase".

In the field of elderly care and child care, the Group closely follows the national policy orientation of "Property Service + Embedded Elderly Care", deepens presence in community health and wellness services, and builds a distinctive and diversified community service ecosystem. The Company integrates soft health and wellness services with age-friendly hardware upgrades to complete the full chain of elderly care services. In 2026, an age-friendly service pilot project under management was launched in Huizhou, which enables us to solidly advance the construction of embedded community elderly care services. Based on the upgrading trend of livelihood services, the Company continues to expand diversified household service categories which cover services such as elderly care, medical visit care, infant care and maternity matron as well as nutritious diet, upgrading to a full-life-cycle lifestyle service provider for property owners.

In the community pet service sector, the Group leverages the natural scenario advantages of property services, providing property owners with pet feeding services which have covered projects under management across multiple cities nationwide. The good satisfaction and sustained repurchase rates validate the vast market demand. Meanwhile, the Company adopts an asset-light joint-operation model to open offline pet stores, establishing an integrated service model of "Online Door-to-door + Offline In-store".

OUTLOOK

The year 2026 marks the beginning of the "15th Five-Year Plan". As the new journey of Chinese modernization continues to accelerate, the property management industry is poised to enter a more advanced stage of high-quality development. Kaisa Prosperity will closely align with the national strategic direction of high-quality development and the enhancement of public well-being. By conducting in-depth research into industry trends, we aim to further leverage smart technologies to reduce costs and increase efficiency, while solidifying our foundation through refined operations and attentive, convenient services. Furthermore, we will actively participate in community collaborative governance and fulfill our responsibilities through distinctive service offerings. We are committed to strengthening internal management and talent development, ensuring prudent growth, and strictly controlling risks. These efforts are designed to ensure a strong and successful start to the "15th Five-Year Plan" of the Group, laying a solid foundation for high-quality development.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

As one of the leading comprehensive property management service providers in China, the Group specializes in providing comprehensive urban integrated services to mid-to-high-end properties and focuses on the metropolitan cluster regions that are supported by the national macro-strategic policies and have high economic development vitality. The Group has been providing property management services for more than 27 years since 1999, and since then has established a strong footprint in the Guangdong-Hong Kong-Macau Bay Area, Yangtze River Delta, Bohai Economic Rim, Western and Central China with enormous potential for economic growth, covering a wide range of properties and providing property owners and residents with tailored quality services through the one-stop service platform to enhance their quality of life and satisfaction.

The Group's three main business lines, namely, property management services, value-added services to property owners and value-added services to non-property owners, form an integrated service spectrum encompassing the upstream and downstream segments and covering the entire value chain of property management.

PROPERTY MANAGEMENT SERVICES

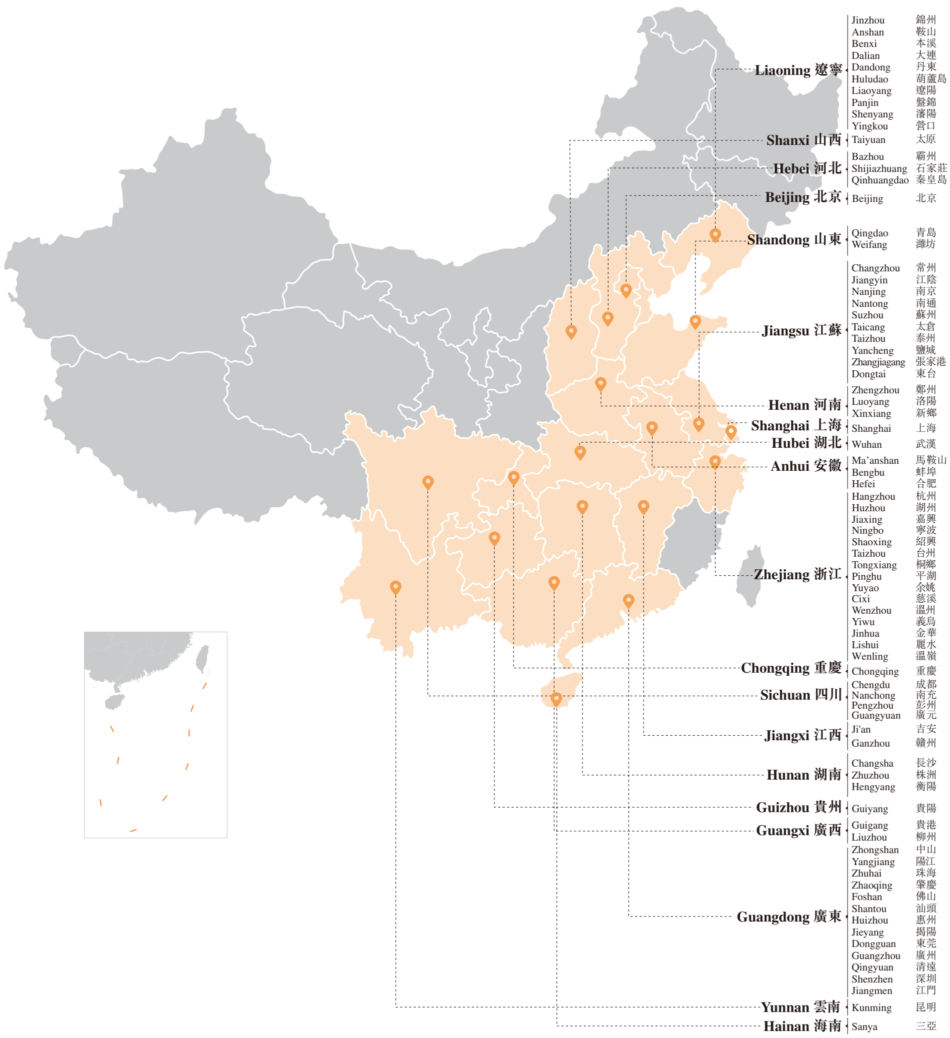
As of 30 June 2026, the Group's property management services covered 78 cities across 20 provinces, municipalities and autonomous regions in China, with a total GFA under management reaching 98.8 million sq.m. and a total of 714 managed properties, comprising 344 residential communities and 370 non-residential properties, showing diversified property portfolio. We aim to accelerate development of public urban services and transform into a holistic management services provider.

The table below sets forth (i) the contracted GFA, (ii) the GFA under management, and (iii) the number of managed properties of the Group, as of the dates indicated:

	As of 30 June 2026	As of 31 December 2025
Contracted GFA *('000 sq.m.)*	**124,514**	124,821
GFA under management *('000 sq.m.)*	**98,828**	99,068
Number of managed properties	**714**	718

Geographic Coverage

The map below illustrates the geographic coverage of our managed properties as of 30 June 2026:



The table below sets forth the breakdowns of (i) the total GFA under management, and (ii) the number of managed properties by geographic region as of the dates indicated:

	As of 30 June 2026		As of 31 December 2025	
	GFA under management ***('000 sq.m.)***	**Number of properties**	GFA under management *('000 sq.m.)*	Number of properties
Guangdong-Hong Kong-Macau Bay Area	**23,075**	**144**	22,859	142
Yangtze River Delta	**53,841**	**453**	54,341	459
Bohai Economic Rim	**5,598**	**39**	5,598	39
Western China	**9,755**	**48**	9,711	48
Central China	**6,559**	**30**	6,559	30
Total	**98,828**	**714**	99,068	718

Set out below are the changes in (i) the total GFA under management and (ii) the number of managed properties of the Group as of the indicated date:

	As of 30 June 2026		As of 31 December 2025	
	GFA under management ***('000 sq.m.)***	**Number of properties**	GFA under management *('000 sq.m.)*	Number of properties
As of 1 January	**99,068**	**718**	102,697	728
New engagement	**462**	**10**	3,009	68
Termination	**(702)**	**(14)**	(6,638)	(78)
Total	**98,828**	**714**	99,068	718

Types of Properties Managed

The Group managed a diversified portfolio of properties covering mid-to-high-end residential communities and non-residential properties, including commercial properties, office buildings, hospitals, schools, arenas and stadiums, government buildings, public facilities and industrial parks and culture and tourism facilities etc.. Starting from Guangxi, Yancheng, Yangzhou and Jiaxing, we expanded the cooperation with government platforms and our urban services business. Regarding the property management services, the Group adopted two revenue models under which property management fees are charged on either a lump-sum basis or commission basis. For lump-sum basis, the Group recorded all the fees as revenue and all the expenses incurred in connection with providing the property management services as cost of services. For commission basis, the Group essentially acted as the agent of the property owners and therefore records only a pre-determined percentage of the property management fees or cost of services as set out in the property management service contracts as revenue. By adopting these two revenue models, the Group recovered the expenses incurred in connection with providing property management services.

The table below sets forth the breakdowns of (i) the total GFA under management, and (ii) the number of managed properties by type of properties of the Group as of the dates indicated:

	As of 30 June 2026			As of 31 December 2025		
	GFA under management	**Percentage**	**Number of properties**	GFA under management	Percentage	Number of properties
	('000 sq.m.)	**%**		*('000 sq.m.)*	%	
Residential communities	**61,314**	**62.0**	**344**	61,494	62.1	344
Non-residential properties	**37,514**	**38.0**	**370**	37,574	37.9	374
Total	**98,828**	**100.0**	**714**	99,068	100.0	718

The table below sets forth the breakdowns of (i) the total GFA under management; and (ii) the number of managed properties by revenue models of the Group as of the dates indicated:

	As of 30 June 2026			As of 31 December 2025		
	GFA under management	**Percentage**	**Number of properties**	GFA under management	Percentage	Number of properties
	('000 sq.m.)	**%**		*('000 sq.m.)*	%	
Property management services (lump-sum basis)	**73,420**	**74.3**	**570**	75,300	76.0	603
Property management services (commission basis)	**25,408**	**25.7**	**144**	23,768	24.0	115
Total	**98,828**	**100.0**	**714**	99,068	100.0	718

It is important to note that under a commission basis, the Group recorded only a pre-determined percentage, typically 10%, of the property management fees or cost of services as set out in the property management service contracts as revenue, while all the property management fees are recorded as revenue under lump-sum basis.

The table below sets forth the breakdowns of (i) the total GFA under management, and (ii) the number of managed properties by type of property developers of the Group as of the dates indicated:

	As of 30 June 2026			As of 31 December 2025		
	GFA under management	**Percentage**	**Number of properties**	GFA under management	Percentage	Number of properties
	('000 sq.m.)	**%**		*('000 sq.m.)*	%	
Properties developed by the Kaisa Group, together with its joint ventures and associates	**44,581**	**45.1**	**238**	44,518	44.9	237
Properties developed by independent third-party property developers	**54,247**	**54.9**	**476**	54,550	55.1	481
Total	**98,828**	**100.0**	**714**	99,068	100.0	718

The properties under the Group's management comprise of properties developed by Kaisa Group, together with its joint ventures and associates and independent third-party property developers. During the six months ended 30 June 2026, the Group won all the public tenders with respect to properties developed by the Kaisa Group for which the Group bid, and continued to explore the properties developed by independent third-party property developers.

During the six months ended 30 June 2026, the total revenue of property management services was approximately RMB690.9 million, representing a decrease of approximately 0.5% period to period. Such decrease was primarily due to the Company's strategic withdrawal from underperformed projects, which resulted in a corresponding reduction in GFA under management.

VALUE-ADDED SERVICES TO PROPERTY OWNERS

As an extension of its property management services, the Group's value-added services to property owners aim to address the lifestyle and daily needs of the property owners (including individual property owners and institutional property owners) and residents, provide various products and services, improve customer satisfaction, and provide a more healthy and convenient life style for the property owners and residents.

The Group provides diversified products and services to the property owners and residents through K Series Living to meet their ever-changing daily needs. As a value-added service brand under the Group, K Series Living has been adhering to the service concept of "Fast, High-quality, Value-added and Colorful life" since its launch, covering various business types such as residential and commercial buildings, office buildings, stadiums, and public facilities. After continuous optimization and development, K Series Living currently can be mainly divided into four major segments: (1) K-Space (小K空間), (2) K-Retail (小K零售), (3) K-Lease & Sale (小K租售), and (4) K-Decoration (小K美居). K-Retail has been further refined and divided into various sub-unit product series: (a) K-Commercial and Office Buildings (小K商寫), (b) K-Charging (小K充電), (c) K-Choice Goods (小K優選), (d) K-Group Buying (小K團購), (e) K-Delivery (小K到家), (f) K-Cultural Tourism (小K文旅) and (g) K-pet (小K萌寵). By leveraging the advantages of integrated fundamental property services, diversified supply chains and distributed mini warehouse, we continued to improve our value-added service capabilities, provide high-quality products and convenient services, and build a standardized and full-lifecycle service and product system.

Through the "K Series Living Exhibition Hall" and the K Series Living platform, Kaisa Prosperity's ecosystem of community and neighbourhood services integrates advantageous national and local supply chain resources. Adopting a "one-city-one-policy" approach, the Group builds a "1+N" service system focusing on local lifestyle needs such as community group buying, home services, home renovation and refurbishment, real estate leasing and sales, community recycling, and catering and cultural tourism. Meanwhile, Kaisa Prosperity has independently developed digital tools such as the community sharing platform and service request platform, to make community living more worry-free, comfortable and reassuring.

In the first half of 2026, leveraging its strengths in property management infrastructure, the Group channeled more efforts into its pet services business within residential communities. To date, its in-home pet feeding service covers 70 communities in 8 major cities, reaching approximately 60,000 pet-owning households. The community pet services have secured extremely high satisfaction and repurchase rates, evidencing its status as a basic necessity underpinned by trust. The Group also launched its first offline store in Shenzhen under an asset-light model via collaborative operation, building a fully integrated "In-Home + In-Store" service ecosystem.

During the six months ended 30 June 2026, the total revenue of value-added services to property owners was approximately RMB71.9 million, representing a decrease of approximately 10.5% period to period. Such decrease was primarily due to the market environment of downturn in resident consumption and intensifying industry competition.

VALUE-ADDED SERVICES TO NON-PROPERTY OWNERS

Leveraging on the Group's relevant expertise, the Group provides a wide range of value-added services to non-property owners (mainly property developers), which include: (i) construction sites management services; (ii) display units and property sales venues management services; (iii) property management consulting services; and (iv) smart solution services, etc..

Construction sites management services. The Group provided primarily security services and to a lesser extent management services, such as cleaning and maintenance services, for the construction sites of property development projects.

Display units and property sales venues management services. The Group deployed personnel onsite to assist property developers with their property marketing and selling activities. The Group also assisted property developers with responding to general enquiries at front desks and maintaining order at property sales venues.

Consulting Services. The Group provided general daily property management consulting services to other property management companies.

Smart solution services. The Group provided comprehensive integrated solution including design, self-developed products, engineering construction and operation and maintenance services to different kinds of property developers.

During the six months ended 30 June 2026, the total revenue of value-added services to non-property owners was approximately RMB23.7 million, representing a decrease of approximately 49.5% period to period. Such decrease was primarily due to the impact of national macro policies, market conditions in the real estate industry during the period, where the demand for relevant services by real estate developers decreased.

Save for the above mentioned, during the six months ended 30 June 2026, there have been no material changes in the business development activities of the Group.

FINANCIAL REVIEW

Revenue

The Group derived its revenue from: (i) property management services; (ii) value-added services to property owners; and (iii) value-added services to non-property owners. The management of the Company has represented the type of services to concur with its current business strategic. Value-added services to property owners mainly focus on providing service for individual property owners and institutional property owner and residents. Value-added services to non-property owners mainly focus on property developers, which included: (i) construction sites management services; (ii) display units and property sales venues management services; (iii) property management consulting services; and (iv) smart solution services. Revenue decreased by approximately 4.3% from approximately RMB822.0 million for the six months ended 30 June 2025 to approximately RMB786.5 million for the six months ended 30 June 2026.

The revenue contribution by each business segment of the Group for the periods indicated is set forth in the table below:

	(Unaudited) Six months ended 30 June					
	2026		2025		Changes	
	RMB'000	**%**	*RMB'000*	%	*RMB'000*	%
Property management services	**690,928**	**87.9**	694,653	84.5	(3,725)	(0.5)
Value-added services to property owners	**71,873**	**9.1**	80,339	9.8	(8,466)	(10.5)
Value-added services to non-property owners	**23,739**	**3.0**	47,009	5.7	(23,270)	(49.5)
Total	**786,540**	**100.0**	822,001	100.0	(35,461)	(4.3)

Revenue from property management services, which primarily include property management fees for providing security, cleaning and gardening and property repair and maintenance services to residential communities, commercial properties and public facilities, decreased by approximately 0.5% from approximately RMB694.7 million for the six months ended 30 June 2025 to approximately RMB691.0 million for the six months ended 30 June 2026. Such decrease was primarily attributable to the Company's strategic withdrawal from underperformed projects, which resulted in a corresponding reduction in GFA under management.

Revenue from value-added services to property owners, which primarily include income generated from the car parking, space leasing, retailing, house leasing and sales, housing decoration and renovation and other value-added services through both offline and online channels, decreased by approximately 10.5% from approximately RMB80.3 million for the six months ended 30 June 2025 to approximately RMB71.9 million for the six months ended 30 June 2026. Such decrease was primarily due to the market environment of downturn in resident consumption and intensifying industry competition.

Revenue from value-added services to non-property owners, which primarily include fees for construction sites management, display units and property sales venues management and consulting services and installation and maintenance services, decreased by approximately 49.5% from approximately RMB47.0 million for the six months ended 30 June 2025 to approximately RMB23.7 million for the six months ended 30 June 2026. Such decrease was primarily due to the impact of national macro policies, market conditions in the real estate industry during the period, where the demand for relevant services by real estate developers decreased.

Direct operating expenses

The direct operating expenses of the Group primarily comprises staff costs, subcontracting costs, construction costs, carpark leasing expenses, utility expenses, office expenses, community cultural expenses, other taxes and others. The direct operating expenses decreased by approximately 4.8% from approximately RMB618.1 million for the six months ended 30 June 2025 to approximately RMB588.3 million for the six months ended 30 June 2026.

Gross Profit and Gross Profit Margin

The overall gross profit of the Group decreased by approximately 2.8% from approximately RMB203.9 million for the six months ended 30 June 2025 to approximately RMB198.3 million for the six months ended 30 June 2026. The overall gross profit margin of the Group increased by approximately 0.4 percentage points from approximately 24.8% for the six months ended 30 June 2025 to approximately 25.2% for the six months ended 30 June 2026. The table below sets forth the Group's gross profit and gross profit margin by business segment for the periods indicated:

	(Unaudited) Six months ended 30 June					
	2026		2025		Changes	
	Gross Profit	**Gross Profit Margin**	Gross Profit	Gross Profit Margin	Amount	
	RMB'000	***%***	*RMB'000*	*%*	*RMB'000*	*%*
Property management services	**147,496**	**21.3**	149,373	21.5	(1,877)	(1.3)
– Lump-sum basis	**119,755**	**18.1**	122,047	14.5	(2,292)	(1.9)
– Commission basis	**27,741**	**100.0**	27,326	100.0	415	1.5
Value-added services to property owners	**50,950**	**70.9**	48,291	60.1	2,659	5.5
Value-added services to non-property owners	**(165)**	**(0.7)**	6,232	13.3	(6,397)	(102.6)
Total	**198,281**	**25.2**	203,896	24.8	(5,615)	(2.8)

1) Property management services

Gross profit margin of the Group's property management services decreased by approximately 0.2 percentage points from approximately 21.5% for the six months ended 30 June 2025 to approximately 21.3% for the six months ended 30 June 2026. The decrease was primarily due to the increase in subcontracting costs to improve our service quality and enhance customer experience and satisfaction.

2) Value-added services to property owners

Gross profit margin of the Group's value-added services to property owners increased by approximately 10.8 percentage points from approximately 60.1% for the six months ended 30 June 2025 to approximately 70.9% for the six months ended 30 June 2026. The increase was primarily due to a decrease in revenue contribution from projects with low gross profit margin during the year.

3) Value-added services to non-property owners

Gross profit margin of the Group's value-added services to non-property owners decreased by approximately 14.0 percentage points from approximately 13.3% for the six months ended 30 June 2025 to approximately -0.7% for the six months ended 30 June 2026. The decrease was primarily due to the proportion of revenue contributed from projects with higher gross profit margins decreased.

Selling and Marketing Expenses

Selling and marketing expenses of the Group decreased by approximately 25% from approximately RMB5.2 million for the six months ended 30 June 2025 to approximately RMB3.9 million for the six months ended 30 June 2026. The decrease was primarily due to less marketing activities conducted for the six months ended 30 June 2026.

Administrative Expenses

Administrative expenses of the Group decreased by approximately 6.3% from approximately RMB77.6 million for the six months ended 30 June 2025 to approximately RMB72.7 million for the six months ended 30 June 2026. The decrease was primarily due to the Company's continued strengthening of expense control by optimizing the internal personnel structure, reducing the relevant staff cost.

Income Tax expenses

Income tax expenses of the Group decreased by approximately 28.2% from approximately RMB20.2 million for the six months ended 30 June 2025 to approximately RMB14.5 million for the six months ended 30 June 2026, primarily due to the decrease of profit before income tax for the six months ended 30 June 2026.

Profit and Total Comprehensive Income for the Period

The Group's profit and total comprehensive income for the six months ended 30 June 2026 decreased by approximately 8.2% to approximately RMB49.0 million from approximately RMB53.4 million for the six months ended 30 June 2025.

Liquidity, Capital Structure and Financial Resources

As of 30 June 2026, the Group's cash and cash equivalents was approximately RMB181.8 million, represented a decrease of approximately RMB32.3 million from approximately RMB214.1 million as of 31 December 2025.

As of 30 June 2026, the net current assets of the Group was approximately RMB196.2 million (31 December 2025: approximately RMB155.1 million). As of 30 June 2026, the Group's current ratio (current assets/current liabilities) was approximately 1.22 (31 December 2025: approximately 1.18).

As of 30 June 2026, the Group did not have any other loans or borrowings (31 December 2025: nil).

Goodwill

As of 30 June 2026, the Group recorded goodwill of approximately RMB136.5 million (31 December 2025: RMB136.5 million), as a result of the completion of the acquisitions of Jiaxing Dashu Property Management Company Limited* (嘉興大樹物業管理有限公司) and Jiangsu Hengyuan Property Management Company Limited* (江蘇恒源物業管理有限公司) in 2019, Ningbo Langtong Property Management Company Limited* (寧波朗通物業服務有限公司) in 2020 and Zhejiang Ruiyuan Property Management Company Limited* (浙江瑞源物業管理有限公司) in 2021. According to the impairment assessment made by the management of the Company, there was no indication of any impairment of goodwill and hence no impairment provision is required for the six months ended 30 June 2026.

Right-of-Use Assets

As of 30 June 2026, the Group recorded right-of-use assets of approximately RMB151.7 million (31 December 2025: RMB159.6 million) which are mainly used by the Group to provide property management services and sublease the non-residential properties for rental income.

Trade and Other Receivables

Trade receivables mainly arise from property management fees and value-added services fees to non-property owners. Trade receivables of the Group increased by approximately RMB68.2 million from approximately RMB477.6 million as of 31 December 2025 to approximately RMB545.8 million as of 30 June 2026, primarily due to the slow recovery of trade receivables from real estate developers due to the impact of national macro policies, market conditions in the real estate industry.

Other receivables mainly consist of deposits, prepayments, payments on behalf of staff and payments on behalf of residents under lump-sum basis. Other receivables of the Group increased by approximately RMB41.7 million from approximately RMB89.4 million as of 31 December 2025 to approximately RMB131.1 million as of 30 June 2026.

Payments on behalf of Residents Under Commission Basis

The Group made payments on behalf of residents of the managed residential communities under commission basis. Payments on behalf of residents represent working capital expenditures paid by the Group on behalf of the residential communities. The Group's payments on behalf of residents under commission basis decreased slightly by approximately RMB0.7 million from approximately RMB168.6 million as of 31 December 2025 to approximately RMB167.9 million as of 30 June 2026.

Trade and Other Payables

Trade payables mainly represent the obligations to pay suppliers for procurements in the ordinary course of business. Trade payables of the Group slightly increased by approximately RMB5.9 million from approximately RMB228.6 million as of 31 December 2025 to approximately RMB234.5 million as of 30 June 2026.

Other payables mainly consist of accrued staff costs, deposits received and receipt on behalf of residents. The accrued staff costs relate to the employees' salary and related expenditure. The deposits received primarily relate to the deposits the Group received from property owners in the managed properties charged on a lump-sum basis for any additional repairs and maintenance expense the Group might incur due to their property decoration. Receipt on behalf of residents relates to the remaining property management fees the Group received in the managed properties charged on a commission basis and the Group managed such fees collectively in its headquarters. Other payables of the Group increased by approximately RMB16.2 million from approximately RMB325.0 million as of 31 December 2025 to approximately RMB341.2 million as of 30 June 2026, primarily due to an increase in accrued staff costs.

Capital Commitments

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

Pledge of Assets

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

Material Acquisitions and Disposals of Assets

The Group did not have any material acquisitions or disposals of assets for the six months ended 30 June 2026 (2025: nil).

Gearing Ratio

Gearing ratio is calculated by dividing the total interest-bearing borrowings by total equity at the end of the respective period/year. The gearing ratio of the Group was nil and nil as of 30 June 2026 and 31 December 2025 respectively, as there were no interest-bearing borrowings.

Contingent Liabilities

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

Foreign Exchange Risk

The Group primarily conducts its business in the PRC and in Renminbi. As of 30 June 2026, cash and cash equivalents denominated in Hong Kong dollar ("**HKD**") and United States Dollar ("**USD**") were approximately RMB0.3 million, which are subject to foreign exchange exposure.

The Group currently does not hedge its foreign exchange risk, but continuously monitors its foreign exchange exposure. The management will consider hedging the foreign exchange exposure where there is a material impact on the Group.

Employees and Benefits Policies

As of 30 June 2026, the Group had 11,790 employees (31 December 2025: 11,107 employees). Employee's remuneration is determined based on the employee's performance, skills, knowledge, experience and market trends. The Group regularly reviews its compensation policies and programs, and will make necessary adjustments in order to align with remuneration levels to the industry norm. In addition to basic salaries, employees may be granted with discretionary bonus based on individual performance. The Group offers training to its employees so as to enable them to acquire basic skills to perform their duties and to upgrade or improve their production techniques. Furthermore, on 18 June 2019, the Company adopted a share option scheme (the "**Share Option Scheme**"). Details of the Share Option Scheme are set out in the circular of the Company dated 29 April 2019.

Subsequent events

There were no other significant subsequent events since the end of the reporting period up to the date of this announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders of the Company (the "**Shareholders**"), enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and complied with all the applicable code provisions during the six months ended 30 June 2026.

REVIEW OF INTERIM RESULTS

The Company has established an audit committee (the "**Audit Committee**"), which comprises three independent non-executive Directors, in accordance with the requirements under Rule 3.21 and 3.22 of the Listing Rules.

The Audit Committee has reviewed the accounting policies adopted by the Group and the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2026, and discussed matters related to auditing, risk management, internal control with the management team.

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' 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 of the Listing Rules as the standard for securities transactions by the Directors. The Company has made specific enquiries of all the Directors and all the Directors confirmed that they have complied with the required standards set out in the Model Code during the six months ended 30 June 2026.

The Company has also established written guidelines on no less exacting terms than the Model Code for the relevant employees of the Group, who are likely to be in possession of inside information of the Company.

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

During the six months ended 30 June 2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

INTERIM DIVIDEND

The Board has resolved not to recommend the payment of any interim dividend for the six months ended 30 June 2026 (30 June 2025: nil).

PUBLICATION OF THE 2026 INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

The Company's interim report for the six months ended 30 June 2026 will be published on the websites of the Stock Exchange at www.hkex.com.hk and the Company at www.jzywy.com in due course.

APPRECIATION

On behalf of the Board, I would like to thank all our colleagues for their diligence, dedication, loyalty and integrity. I would also like to thank all our Shareholders, customers, bankers and other business partners for their trust and support.

By Order of the Board
Kaisa Prosperity Holdings Limited
Kwok Ying Shing
Chairman

Hong Kong, 24 August 2026

As at the date of this announcement, the executive Directors are Mr. Kwok Ying Shing, Mr. Liu Lihao, Mr. Liao Chuanqiang, Mr. Kwok Hiu Kwan, Mr. Zhao Jianhua and Ms. Mou Zhaohui; and the independent non-executive Directors are Mr. Liu Hongbai, Ms. Ma Xiumin and Mr. Chen Bin.

* *For identification purpose only and should not be regarded as the official English translation of the Chinese names. In the event of any inconsistency, the Chinese names shall prevail.*