遠洋服務
SINO-OCEAN SERVICE

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

SUMMARY

- For the six months ended 30 June 2026, the Group recorded revenue of approximately RMB1,290.7 million, representing a slight decrease of approximately 7% from RMB1,385.8 million in the same period of 2025. Revenue from property management services, our core business, contributed approximately 78% of total revenue (first half of 2025: 74%).

- Loss attributable to owners of the Company narrowed significantly by 79% to RMB65.6 million (first half of 2025: loss of RMB310.1 million). While impairment provisions remain necessary given the prevailing market conditions, they have decreased substantially compared to the same period last year. Gross profit increased by 23% year-on-year to RMB200.4 million, with gross profit margin improving to approximately 16% (first half of 2025: 12%).

- As at 30 June 2026, the Group had GFA under management of 84.5 million sq.m., representing a decrease of approximately 10% compared to the same period in 2025, primarily due to the Group's proactive implementation of a tiered project management system and a city-focused strategy, which led to an orderly exit from low-efficiency projects. During the period, the Group secured 50 new externally sourced projects with a single-year contract value of RMB130 million, representing a year-on-year increase of 76%.

- The Group maintained a healthy financial position, with total cash resources of approximately RMB635.4 million as at 30 June 2026.

- The Board did not recommend the payment of any interim dividend for the six months ended 30 June 2026.

Sino-Ocean Service Holding Limited
(Incorporated in the Cayman Islands with limited liability)
Stock Code : 06677

The Board is pleased to announce the unaudited interim results of the Group for the six months ended 30 June 2026.

MARKET AND RESULTS REVIEW OF THE FIRST HALF OF 2026

The year 2026 marks the beginning of the "15th Five-Year Plan" period, during which the property management industry is set to benefit from coordinated national strategic advancement. For the first time, the "Implementation of Property Service Quality Improvement Initiatives" has been enshrined in the Government Work Report, standing alongside the "Quality Housing" initiative, while the "15th Five-Year Plan" Outline explicitly embeds property service quality enhancement into the national strategic architecture. The revision of the Property Management Regulations has been incorporated into the State Council's annual legislative agenda, and the industry classification has been officially updated from "Property Management" to "Property Services", a semantic shift that more precisely delineates the rights of property owners and the service-oriented role of providers. Governments at all levels are systematically restructuring the regulatory framework, advancing standardisation of service contracts, mandating transparency in fee structures and public-benefit revenue management, and refining exit mechanisms alongside credit evaluation systems. This concentrated wave of policy promulgation represents not only a systemic response to long-accumulated industry frictions, but also a profound institutional push to recalibrate the sector towards its fundamental service ethos. As industry transformation and restructuring enter deeper waters, a host of compounded challenges have come to the fore. The perennial tension between service quality and pricing persists and continue to deepen; property owners' satisfaction and fee collection rates continue their downward trend; a wave of service provider withdrawals sweeps across the market; competition intensifies within a shrinking stock; and growth in scale decelerates markedly. The sector is accelerating its return to the "quality-price parity" logic, bidding farewell to the era of extensive scale-driven expansion, and entering a new cycle defined by quality upgrading, efficiency enhancement, competitive elimination, structural optimisation, and high-quality development. The age of quality-led competition — with customer value at its core — has unequivocally arrived.

In the first half of 2026, our Group has orchestrated a comprehensive agenda anchored on the core triad of "optimising services, strengthening operations, and pursuing development". We have continually optimised services and user experience, thereby reinforcing the bedrock of property owners' satisfaction. We have realigned our value-added service portfolio in response to evolving property owners' living needs, and revamped our flagship product matrix. We have taken a holistic approach to strengthening operational management, continuously improving the level of refined operations. Through project grading and classification, we have further reinforced full-process project control and enhanced project operational quality. Focusing on high-quality development, we increased the concentration of our scale footprint around core cities and strategically-penetrated cities, thereby forming regional operational advantages. While consolidating our foundational positions in residential and office properties, we have actively pivoted towards the existing stock market of non-residential segments, executing high-quality external expansion.

For the six months ended 30 June 2026, the Group recorded revenue of RMB1,290.7 million of which the revenue from property management services accounted for approximately 78% of the overall revenue. The Group recorded core net profit attributable to owners of the Company of RMB81.4 million* and gross profit of RMB200.4 million, representing a YoY increase of 23%, and achieved net loss of RMB65.6 million, narrowing by approximately 79% YoY.

OUTLOOK FOR THE SECOND HALF OF 2026

The property services industry finds itself at a critical juncture where policy empowerment and value reassessment converge, presenting both opportunities and challenges. Only by continuously refining service quality and earning the trust and endorsement of property owners can we achieve sustainable corporate growth. In the coming six months, we will remain unwavering in our customer-first, people-oriented approach, and reshape operational quality and lay a solid foundation for sustainable growth. We will intensify our efforts in strategically-penetrated cities and key city clusters, to reinforce regional brand influence; increase project density and customer satisfaction in core cities; and deepen and fully capture the value of our existing customer base to consolidate the foundation of regional development. We will promote tiered project management for efficiency, implementing differentiated operational strategies for projects at varying performance levels to optimise resource allocation. We will drive profitability leadership in core projects while streamlining non-core projects to reduce wastage, thereby maximising improvements in both profitability and cash flow. We will upgrade our core service offerings and sharpen service capabilities, identifying key spatial and scenario touchpoints along customer journeys within our projects to establish uniform customer-facing service standards. We will optimise value-added services, elevate project-level operational quality, and cultivate service capabilities across diverse property types. We will forge a resilient core team by enhancing talent development mechanisms, building multi-tiered talent pipelines, and establish a comprehensive performance evaluation system. We will streamline decision-making processes, enhance organisational management efficiency, and empower frontline operations. The Group will continue to drive improvements in cash flow generation, trade receivables structure and operational efficiency — all to strengthen refined operational capabilities and ensure business robustness. Adhering to a long-term development philosophy, the Group will consistently build customer trust through service excellence, anchor sustainable growth on refined operations, and seize the opportunities for industry reshaping amidst change. We will proactively align with national development strategies, root in our fundamental mission to serve people's livelihoods, and steadily advance within a compliant governance framework. We remain committed to our corporate cultural values of "Serving Health Wholeheartedly", creating value for customers, seeking development for our employees, creating returns for shareholders, and creating benefits for society. We will forge a sustainable development path that is quality-driven, steady, and enduring.

* Core net profit attributable to owners of the Company is a non-HKFRS financial measure, where HKFRS refers to Hong Kong Financial Reporting Standards. It is defined as core net profit attributable to owners of the Company calculated in accordance with HKFRS, adjusted to exclude the impact of impairment losses on goodwill, net impairment losses on financial assets, impairment losses on inventories, amortisation costs of intangible assets arising from acquisitions and one-off transaction gains and losses. This measure is presented to enhance comparability of performance across different periods and provide additional information on the Group's underlying operating performance. It should not be considered in isolation from, or as a substitute for, core net profit attributable to owners of the Company calculated in accordance with HKFRS.

BUSINESS REVIEW

The Group is a comprehensive property management service provider with extensive geographic coverage in the PRC. We manage a portfolio of diversified property types covering mid- to high-end residential properties, commercial properties such as shopping malls and office buildings, and public and other properties, providing customers with comprehensive services along the value chain of property management, including property management services, community value-added services and value-added services to non-property owners. The Group has consistently enjoyed a sound reputation in the industry on the back of its quality services and proven industry experience over the years.

Property Management Services

For the six months ended 30 June 2026, the Group's revenue from property management services amounted to RMB1,002.6 million, accounting for approximately 78% of the Group's total revenue.

Strategic optimisation of business layout and consolidation, outward expansion capacity remains prominent. The Group has deepened the strategic orientation towards high-quality development by driving progress through a dual-pronged approach of enhancing the quality of existing properties and prioritizing high-quality incremental projects. While orderly exiting low-efficiency projects, the Group continued to refine its market-oriented expansion mechanism, and achieved strategic optimisation of its business layout. As of 30 June 2026, the Group has GFA under management of 84.5 million sq.m., representing a decrease of approximately 10% compared to the corresponding period of 2025, which was mainly due to the Group's proactive implementation of tiered management system for projects and a city-focused strategy, which led to an orderly exit from isolated cities and underperforming projects. Following the adjustment, the proportion of GFA under management from third parties reached 40%.

During the period, the Group shifted its external expansion strategy from a volume-driven approach to a quality-focused one. During the period, the Group secured 50 new externally sourced projects, with new single-year contract value of RMB130 million, representing a YoY increase of 76%. Concurrently, the Company secured 25 new cooperative clients, and the proportion of GFA under management from third parties reached 76%, further consolidating its independent business development capabilities. The newly acquired projects cover 22 cities, including two new cities, demonstrating continued enhancement in market reach. In terms of execution, external expansion resources were further concentrated in key cities where the Group has established a strong foothold, with newly signed projects in these cities accounting for 92%, significantly enhancing the density and synergy of its regional footprint. Regarding property structure, while consolidating its traditional strengths, the Company achieved landmark breakthroughs in high-value property types such as hospitals, commercial properties and schools, thereby broadening its service boundaries and further optimising the counter-cyclical resilience and profit quality of its business portfolio.

The table below sets forth details of GFA under management as at the dates indicated:

	As at 30 June	
	2026	2025
GFA under management *('000 sq.m.)*	**84,480**	93,503
Number of projects relating to GFA under management	**491**	511

The table below sets forth a breakdown of the Group's GFA under management as at the dates indicated by the source of projects:

	As at 30 June			
	2026		2025	
	GFA under management (’000 sq.m.)	**%**	GFA under management (’000 sq.m.)	%
Properties developed/owned by Sino-Ocean Group (including its joint ventures and associates)	**50,727**	**60**	50,573	54
Properties developed/owned by other third parties[1]	**33,753**	**40**	42,930	46
Total	**84,480**	**100**	93,503	100

Note:

1) Refers to property developers other than Sino-Ocean Group (including its joint ventures and associates); and property owners of certain public and other properties other than Sino-Ocean Group (including its joint ventures and associates).

As of 30 June 2026, our projects spanned 78 cities across 28 provinces, autonomous regions and municipalities in China, geographically covering 5 major city clusters, being the Beijing-Tianjin-Hebei region, the Bohai Rim region, Eastern China, Southern China and Central and Western China. We remained committed to a development strategy of focusing on our priority cities, with approximately 81% of our GFA under management located in first- and second-tier cities and resources consistently concentrated in 25 core cities. We continued to deepen our presence in the Beijing-Tianjin-Hebei and Bohai Rim regions, solidifying the foundation of our nationwide expansion. The ratio of GFA under management in Eastern China and Southern China steadily increased, while the base in Central and Western China remained stable, further strengthening the regional balance and overall risk resilience. As of 30 June 2026, by GFA under management, the Beijing-Tianjin-Hebei region accounted for approximately 27%, the Bohai Rim region 23%, Eastern China 17%, Southern China 15%, and Central and Western China 18%.

The table below sets out a breakdown of the GFA under management in cities where the Group's property management service projects were primarily located as at 30 June 2026 according to the city classification by China Business Network:

	GFA under management	
	(’000 sq.m.)	**%**
First-tier cities	**16,245**	**19**
New first-tier cities	**25,558**	**30**
Second-tier cities	**26,683**	**32**
Other cities	**15,994**	**19**
Total	**84,480**	**100**

The table below sets forth a breakdown of the Group's GFA under management by geographic location as at the dates indicated and revenue generated from its property management services for the six months ended 30 June 2026 and 2025, respectively:

	As at or for the six months ended 30 June					
	2026			2025		
	GFA under management *('000 sq.m.)*	**Revenue** *(RMB'000)*	**%**	GFA under management *('000 sq.m.)*	Revenue *(RMB'000)*	%
Beijing-Tianjin-Hebei region[1]	**22,618**	**308,881**	**31**	28,009	332,354	32
Bohai Rim region[2]	**19,910**	**216,788**	**22**	20,552	210,260	20
Eastern China region[3]	**14,287**	**169,142**	**17**	15,007	180,314	18
Southern China region[4]	**12,530**	**152,609**	**15**	13,387	153,576	15
Central and Western China region[5]	**15,135**	**155,167**	**15**	16,548	154,668	15
Total	**84,480**	**1,002,587**	**100**	93,503	1,031,172	100

Notes:

1) "Beijing-Tianjin-Hebei region" refers to Beijing, Tianjin, Shijiazhuang, Qinhuangdao, Langfang, and other cities or municipalities.

2) "Bohai Rim region" refers to Dalian, Qingdao, Shenyang, Jinan, Changchun, Taiyuan, and other cities.

3) "Eastern China region" refers to Hangzhou, Wenzhou, Shanghai, Zhenjiang, Suzhou, Nantong, Nanjing, Wuxi, Jinhua, and other cities or municipalities.

4) "Southern China region" refers to Zhongshan, Shenzhen, Zhanjiang, Foshan, Guangzhou, Sanya, Liuzhou, and other cities.

5) "Central and Western China region" refers to Wuhan, Changsha, Zhengzhou, Xi'an, Chengdu, Chongqing, Kunming, Xining, Nanchang, Guiyang, and other cities or municipalities.

Property management services on residential and other non-commercial properties

As at 30 June 2026, the Group's GFA under management for residential and other non-commercial properties was 78.4 million sq.m., representing a decrease of approximately 11% as compared to 30 June 2025.

The table below sets forth details of the Group's GFA under management from residential and other non-commercial properties projects as at the dates indicated:

	As at 30 June	
	2026	2025
GFA under management *('000 sq.m.)*	**78,444**	87,851
Number of projects relating to GFA under management	**418**	446

Service quality continues to be upgraded, with refined operations driving experience enhancement. During the period, adhering to our corporate value of "Serving Health Wholeheartedly" and being customer-demand-oriented, the Group continued to elevate its service quality. In terms of service system, the Group iterated its customer labelling system, expanded the scope of customer demand surveys, and advanced the development of refined service capabilities. In its pilot projects, the Group carried out service practices across four dimensions of service optimisation, hardware upgrades, mechanism innovation and process enhancement, forming standardised service modules and gradually rolling them out for wider adoption. In terms of customer service, the Group accumulated 49 micro-innovation cases and rolled out 751 practice initiatives across 12 cities, which have been widely recognized by property owners. Concurrently, the Group launched three service enhancement initiatives, namely gatekeeper standardisation, the "Smile Campaign" and the "Environmental Beautification Day", and promoted nationwide elevator safety inspections and repair and maintenance of community facilities and equipment, systematically improving owner touchpoint experiences and residential safety. In terms of community governance, the Group piloted a co-construction and co-governance model in 11 projects, and organised community activities such as the "Sunshine Neighborhood Festival (陽光友鄰節)" and the "Ping-Pong Perseverance (愛乒才會贏)" table tennis tournament to foster neighbourhood interactions. Also, we worked with local communities and owners' committees to establish a multi-stakeholder community governance framework. During the Period, the Group received a number of industry honours, including the "2026 Top 100 Brand Influential Property Management Companies in China", "2026 Top 20 Listed Property Management Companies in China (Ranked 13th)", the "2026 China Leading Enterprise in Quality Property Service" and the "2026 Best ESG Practice among Listed Property Companies in China".

Property management services on commercial properties

Commercial and office service upgrade its high-end service system to consolidate differentiated competitive advantages. For the six months ended 30 June 2026, the Group's revenue from property management services on commercial properties amounted to RMB160.8 million, representing a decrease of approximately 4% compared to same period of last year, which was primarily attributable to the Group's proactive termination of underperforming commercial property projects during the period to optimise its project portfolio quality. As at 30 June 2026, the Group's commercial property management service projects had GFA under management of 6.0 million sq.m., increasing by approximately 7% as compared to 30 June 2025. 99% of our GFA under management is situated in first- and second-tier cities. The property formats of the Group's commercial property management services are mainly shopping malls and office buildings. During the period, the Group continued to refine its high-end commercial and office service system, driving the service positioning from the foundational "four maintenance" services towards a comprehensive upgrade encompassing asset operations and customer value creation. Centering on customer service touchpoints, the Group developed differentiated service offerings by introducing seasonal fragrant greenery and morning-greeting/evening-farewell services, among others, to cultivate a distinguished and recognisable experience in high-end commercial spaces. In addition, the Group proactively advanced energy management through dynamic energy-saving control of central air-conditioning systems and elevator energy-saving retrofits, to reduce building energy consumption costs with technological solutions and support green and low-carbon operations.

The table below sets forth details of the Group's GFA under management from commercial property management projects as at the dates indicated:

	As at 30 June	
	2026	2025
GFA under management *('000 sq.m.)*	**6,036**	5,652
Number of projects relating to GFA under management	**73**	65

Community Value-added Services

Focusing on community life and deeper channel penetration, the Group continuously optimised our value-added business structure. For the six months ended 30 June 2026, revenue from community value-added services amounted to RMB200.5 million, representing a decrease of approximately 19% compared to the same period last year and accounting for approximately 15% of the Group's total revenue. During the period, the Group focused on core community living scenarios, proactively optimised business structure by phasing out non-core, low-margin and low-frequency needs businesses, and concentrated resources on high-frequency essential consumption scenarios of property owners. In community living services, the Group selected 16 core best-sellers and executed precise sales targeting through festive marketing campaigns. Concurrently, the Group strengthened sales channel development by expanding offline customer acquisition reach through group purchasing communities and front-end service points, thereby enhancing conversion efficiency. In the asset services scenario, the brokerage business completed the iterative upgrade of its store management system and progressively expanded the scale of jointly-operated stores.

The following table sets forth a breakdown of the Group's revenue generated from community value-added services by service types for the six months ended 30 June 2026 and 2025, respectively:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	***%***	*RMB'000*	*%*
Community living services[1]	**187,659**	**94**	223,038	90
Property brokerage services[2]	**12,859**	**6**	25,487	10
Total	**200,518**	**100**	248,525	100

Notes:

1) Community living services mainly include carpark management services, retail sales of commodities, home appliances repair and maintenance, home decoration services and other bespoke services.

2) Property brokerage services mainly include sales transactions and sales agency services of parking spaces, agency in the resale or lease transactions of owners' properties and parking spaces.

Value-added services to non-property owners

Focusing on consolidating core capabilities and prudently evaluating the business structure. For the six months ended 30 June 2026, revenue from value-added services to non-property owners amounted to RMB87.6 million, representing a YoY decrease of approximately 17%, which accounted for approximately 7% of the Group's total revenue. The decrease in revenue from value-added services to non-property owners was primarily attributable to the Group's proactive adjustment of business structure. During the period, the Group continued to dynamically optimize business structure, prudently evaluating the development stage and profitability of each business line, and refocused strategic priority on enhancing service quality and consolidating core capabilities. For value-added services to non-property owners, the Group has established a comprehensive business admission and dynamic evaluation mechanism to ensure that all relevant businesses are conducted in line with prudent profitability models and cash collection and cash flow management requirements, thereby ensuring the certainty and security of business expansion.

The following table sets forth a breakdown of the Group's revenue generated from value-added services to non-property owners by service types for the six months ended 30 June 2026 and 2025, respectively:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	***%***	*RMB'000*	*%*
Pre-delivery services[1]	**21,848**	**25**	31,654	30
Consultancy services[2]	**21,514**	**25**	25,316	24
Property engineering services[3]	**44,206**	**50**	49,114	46
Total	**87,568**	**100**	106,084	100

Notes:

1) Mainly represents on-site services to offer pre-delivery services to property developers, such as assistance for their sales and marketing activities at property sales venues and display units, so as to create high-quality service brands for property developers among potential property buyers.

2) Mainly represents provision of additional specialized and customized support services, including dedicated security, cleaning, greening and protocol reception services.

3) Mainly represents engineering services to property developers and other property management companies, including property engineering, greening, gardening, repair and maintenance of residential communities and non-residential properties, operation and maintenance of facilities and equipment, and the upgrade of smart security systems.

FUTURE DEVELOPMENT PLANS AND OUTLOOK

Focusing on value creation and resolutely driving high-quality development and transition. The Group will implement a tiered project and city classification system to shift its focus from scale to value creation. At the project level, resources will be directed to high-quality, sustainable projects, developing benchmarks and exporting operational models and talent. In city portfolio, resources will focus on high-value cities and major clusters to achieve regional scale effects through clustered expansion, enhancing management density and operational efficiency through integrated "product-service-operation" solutions. In business structure, the Group will increase residential projects while expanding into non-residential segments such as industrial parks, government institutions, healthcare and educational facilities to diversify revenue streams and build a more resilient portfolio. In expansion mechanisms, the Group will strengthen "Expansion-Operations Integration", deepen existing client value, enhance team capabilities, and coordinate internal and external resources to drive a qualitative leap in business development.

Staying true to core values to lay a solid foundation for sustainable development. Committed to a "customer first, people-oriented, and shareholder-focused" philosophy, the Group will reinforce service standards and delivery capabilities to earn long-term trust through stable and reliable quality, continuously consolidating customer relationships. It will enhance services across the "three spaces and five scenarios", establish benchmark projects in core cities, deepen customer and property data governance, pilot AI-powered customer service and online inspections, and drive standardisation and digitalisation of basic services. Scenario-based service standards and a menu-style catalogue will be developed to meet diverse needs. Focusing on community livelihood, home-based services, and the silver economy, the Group will build a "15-minute convenience service ecosystem". While ensuring service quality and customer experience, it will steadily extend the service chain to establish a solid and well-structured diversified operating model. In talent and organisation, the "Elite Programme" and "Cornerstone Programme" will develop management talent, refine mechanisms for selecting, cultivating, and evaluating core personnel, and guide management teams to stay connected with frontline operations and customers, enhancing shareholder returns and the Company's long-term value.

Building a solid foundation through lean operations to drive a new development landscape. The Group will improve resource management, implement differentiated operational strategies, and strengthen project-level cash flow management. Proactive risk prevention mechanisms will be established, lean cost control exercised, and intelligent solutions, job integration and shared service centres promoted to optimise workforce allocation and ensure stable cash flow. Drive the transition of middle and back-office functions from "management and control" to "service support", directing more resources to the front line and forging high-performing teams through core talent development. Concurrently, the Group will advance corporate reforms, enhance governance and decision-making frameworks, and strengthen risk management through shared responsibility across the organisation, pursuing a transformation path that equally emphasises quality and development.

FINANCIAL REVIEW

Revenue

The Group's revenue for the six months ended 30 June 2026 decreased by approximately 7% to RMB1,290.7 million from RMB1,385.8 million for the six months ended 30 June 2025. The Group's revenue for the period was generated from (i) property management services; (ii) community value-added services; and (iii) value-added services to non-property owners, which contributed approximately 78%, 15% and 7% of the Group's total revenue, respectively.

The following table sets forth the breakdown of our unaudited total revenue by business lines for the six months ended 30 June 2026 and 2025, respectively:

	For the six months ended 30 June			
	2026		2025	
	(RMB'000)	***%***	*(RMB'000)*	*%*
Property management services	**1,002,587**	**78**	1,031,172	74
Community value-added services	**200,518**	**15**	248,525	18
Value-added services to non-property owners	**87,568**	**7**	106,084	8
Total	**1,290,673**	**100**	1,385,781	100

Revenue from property management services for the first half of 2026 slightly decreased by approximately 3% to RMB1,002.6 million from RMB1,031.2 million for the first half of 2025. The decrease was mainly attributable to the decrease in the GFA under management.

Revenue from community value-added services for the first half of 2026 decreased by approximately 19% to RMB200.5 million (first half of 2025: RMB248.5 million), which was mainly attributable to the decrease in revenue from community living services.

Revenue from value-added services to non-property owners for the first half of 2026 decreased by approximately 17% to RMB87.6 million (first half of 2025: RMB106.1 million). The decrease was mainly caused by (i) revenue from pre-delivery services which decreased by approximately 31% to RMB21.8 million for the first half of 2026 from RMB31.7 million for the first half of 2025, mainly attributable to the decrease in pre-sale activities in the real estate market; and (ii) revenue from property engineering services which decreased by approximately 10% to RMB44.2 million for the first half of 2026 (first half of 2025: RMB49.1 million), mainly attributable to the proactive withdrawal from construction projects with unsatisfactory payment collections.

Cost of sales and services

For the first half of 2026, cost of sales and services was RMB1,090.3 million (first half of 2025: RMB1,223.1 million).

The cost of sales and services comprised mainly (i) outsourced security, greening and cleaning expenses; (ii) employee benefit expenses, maintenance and utilities expenses; (iii) cost of consumables and construction materials; (iv) cost of merchandises sold; and (v) impairment losses on inventories.

Outsourced security, greening and cleaning expenses for the first half of 2026 increased by approximately 3% to RMB427.8 million, from RMB414.4 million as compared to the corresponding period of 2025, which was mainly attributable to the enhancement of the quality of our service.

Employee benefit expenses, maintenance and utilities expenses for the first half of 2026 in aggregate remained fairly stable at RMB574.2 million (first half of 2025: RMB575.3 million).

Cost of consumables and construction materials decreased by approximately 12% to RMB8.1 million for the first half of 2026, as compared to RMB9.2 million for the first half of 2025, which was in line with the decrease in revenue from value-added services to non-property owners.

Cost of merchandises sold decreased by approximately 32% to RMB26.1 million for the first half of 2026 from RMB38.2 million for the first half of 2025, which was in line with the decrease in the scale of the retail sales in our community living services.

Impairment losses on inventories decreased to RMB1.8 million for the first half of 2026 (the first half of 2025: RMB91.3 million), mainly because the Group had recognised substantial impairment provisions for properties held for sale in the prior period due to the downturn in the real estate market, and the remaining inventory balance has since been significantly reduced.

Gross profit and gross profit margin

Gross profit for the first half of 2026 increased by approximately 23% to RMB200.4 million from RMB162.6 million for the first half of 2025. The overall gross profit margin for the first half of 2026 increased to approximately 16% from approximately 12% for the first half of 2025, mainly attributable to the turnaround from gross loss to gross profit generated from community value-added services due to the decrease in impairment losses made to the inventories compared to the first half of 2025.

The table below sets forth the breakdown of our gross profit and gross profit margin by business lines for the six months ended 30 June 2026 and 2025 respectively:

	For the six months ended 30 June			
	2026		2025	
	Gross profit *(RMB'000)*	**Gross profit margin** *%*	Gross profit/(loss) *(RMB'000)*	Gross profit/(loss) margin *%*
Property management services	**107,327**	**11**	168,968	16
Community value-added services	**78,294**	**39**	(24,034)	(10)
Value-added services to non-property owners	**14,770**	**17**	17,700	17
Total	**200,391**	**16**	162,634	12

The gross profit margin for property management services decreased from approximately 16% in the first half of 2025 to approximately 11% in the first half of 2026. The decrease was mainly due to the reduction in GFA under management, which led to a temporary revenue decline, while staff costs and outsourcing expenses remained relatively fixed, resulting in higher unit costs. The Group is enhancing operational efficiency through service standardisation and smart technologies.

Gross profit margin for community value-added services was approximately 39% for the first half of 2026 (first half of 2025: gross loss margin of 10%), which was mainly attributable to the decrease in impairment losses made to the inventories.

Gross profit margin for value-added services to non-property owners remained the same as approximately 17% for the first half of 2026 and the first half of 2025.

Other income and other losses, net

The other income for the first half of 2026 was RMB5.2 million, a decrease of RMB1.9 million from RMB7.1 million for the first half of 2025. The other income mainly comprised government grants and interest income. The decrease was mainly attributable to the decrease in government grants received during the period.

We recorded other losses (net) of RMB20.0 million for the first half of 2026 (first half of 2025: losses (net) of RMB0.4 million). The net other losses were mainly attributable to the loss of RMB20.3 million derived from the transaction between the Group and Sino Ocean Group, details of which are disclosed in the below paragraphs headed "Material acquisitions and disposal of subsidiaries, associates and joint ventures – Completion of transaction with Sino-Ocean Group in respect of 2,418 parking spaces" and the announcement and the circular of the Company which dated 16 July 2025 and 15 October 2025, respectively.

Operating expenses

Selling and marketing expenses for the first half of 2026 was at RMB6.3 million (first half of 2025: RMB9.1 million). Administrative expenses for the first half of 2026 decreased to RMB100.3 million as compared to RMB106.9 million for the first half of 2025.

Net impairment losses on financial assets

Net impairment losses on financial assets decreased by approximately 45% to RMB119.9 million for the first half of 2026, from RMB217.3 million for the first half of 2025. In the first half of 2026, the recorded impairment losses on financial assets decreased significantly compared to the same period in 2025. In the face of ongoing challenges in the macroeconomic environment and the real estate market, the Group has continued to strengthen its monitoring of receivables and management of receivables collections.

Impairment losses on goodwill

For the first half of 2026, due to the reduction of business scale of certain subsidiaries caused by the overall real estate market downturn in the PRC, the Group recorded net impairment losses on goodwill of RMB14.9 million (first half of 2025: RMB156.2 million).

Finance costs

Finance costs for the first half of 2026 remained stable at RMB0.2 million (first half of 2025: RMB0.3 million), mainly comprised interest expenses of the lease liabilities.

Share of results in joint ventures

For the first half of 2026, share of losses from joint ventures amounted to RMB0.1 million (first half of 2025: losses of RMB0.9 million). The losses were mainly attributable to the financial performance of the joint ventures which was affected by the downturn of the overall economic situation.

Taxation

Income tax expenses of approximately RMB9.5 million was recorded for the first half of 2026 (first half of 2025: income tax credit of RMB11.5 million). The turnaround was mainly due to deferred tax assets were recognised in the first half of 2025.

Loss attributable to owners of the Company

Due to the continuous adverse impact of the real estate market downturn in the PRC, which led to further recognition of (i) impairment provisions on trade and other receivables due to the lengthening of settlement cycle of relevant business; and (ii) impairment losses on goodwill, a loss attributable to owners of the Company of RMB65.6 million was recorded for the first half of 2026 (first half of 2025: loss of RMB310.1 million). Our management will continue to focus on the improvement of our Shareholders' return as an ongoing task.

Investment properties

Investment properties represented commercial properties, office buildings and parking spaces located in the PRC, which were held to earn rentals. As at 30 June 2026, the Group's investment properties were recorded at RMB86.4 million (31 December 2025: RMB68.3 million).

Property, plant and equipment

Property, plant and equipment mainly consisted of office and operating equipment, leasehold improvement, vehicles and buildings. As at 30 June 2026, the Group's property, plant and equipment decreased to RMB24.7 million from RMB27.9 million as at 31 December 2025.

Intangible assets

Intangible assets comprised of computer software, property management contracts, customer relationships, trademark and goodwill. As at 30 June 2026, the Group's intangible assets decreased to RMB264.9 million from RMB295.6 million as at 31 December 2025. The decrease was primarily due to amortisations and impairment losses of goodwill during the period.

Inventories

Inventories primarily consisted of parking spaces, commercial properties and community facilities held for sale and consumables held for consumption during the provision of property management services. Our inventories were RMB185.2 million as at 30 June 2026 (31 December 2025: RMB211.5 million).

Trade and note receivables

Trade and note receivables are amounts due from customers for goods sold or services provided in the ordinary course of business. Our trade and note receivables mainly arise from our property management services and value-added services provided. We usually issue a monthly payment notice to our customers of value-added services, who must pay accordingly. We generally do not grant a credit term to our customers of property management services and 60 days for value-added services to non-property owners are granted, respectively.

As at 30 June 2026, trade and note receivables amounted to RMB768.2 million, representing an increase of approximately 14% as compared to RMB675.7 million as at 31 December 2025. We will continue to enhance various measures to ensure the timeliness and expedite the recovery of our trade and note receivables.

Prepayments and other receivables

Prepayments and other receivables include prepayment to suppliers, other receivables and prepaid tax which in aggregate, decreased by approximately 28% to RMB135.5 million as at 30 June 2026, compared to RMB187.3 million as at 31 December 2025.

Trade and other payables

Trade payables primarily represent our obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers, including purchase of utilities and materials and purchase from sub-contractors. Accruals and other payables primarily represent: (i) deposit; (ii) amounts collected on behalf of property owner; (iii) accrued payroll and welfare payables; (iv) other payables to related parties; and (v) other tax payables.

As at 30 June 2026, trade and other payables amounted to RMB1,326.2 million, which remained relatively stable as compared to RMB1,355.3 million as at 31 December 2025.

Contract liabilities

Contract liabilities represent our obligations to provide the contracted property management services, community value-added services and value-added services to non-property owners. Contract liabilities mainly arose from the advance payments made by customers while the underlying services such as property management services and carpark management services are yet to be provided. As at 30 June 2026, our contract liabilities amounted to RMB517.0 million, representing an increase of approximately 9% as compared to RMB474.7 million as at 31 December 2025.

Capital expenditures

In the first half of 2026, we incurred capital expenditures of RMB2.6 million (first half of 2025: RMB2.7 million), which mainly consisted of (i) purchase of intangible assets such as computer software; and (ii) purchase of property, plant and equipment.

Financial resources and liquidity

Regarding the funding and treasury policies and objectives, our principal cash requirements are to pay for working capital needs and capital expenditures for the expansion and procurement of property, plant and equipment and business acquisition. We meet these cash requirements by relying on our cash on hand and at financial institutions, net cash flows from operating activities and net proceeds from listing as our principal source of funding.

As at 30 June 2026, the Group had cash and cash equivalents of RMB608.4 million and restricted bank deposits of RMB27.0 million, amounted to RMB635.4 million in aggregate; of which approximately 99.9% (31 December 2025: approximately 99.9%) of the Group's cash resources were denominated in RMB with the remaining balances denominated in HKD, and a current ratio of 0.9 times (31 December 2025: 1.0 times), which was calculated by dividing total current assets by total current liabilities. We have ample financial resources and an adaptable financial management policy to support our business expansion in the coming years.

The principal activities of the Group are conducted in the PRC. During the first half of 2026, the Group did not use any financial instruments for hedging purpose. In view of the potential Renminbi exchange rate fluctuations, we will continue to monitor the foreign exchange exposure, and take prudent measures to reduce foreign exchange risks.

As at 30 June 2026 and 31 December 2025, the Group had no borrowings.

Gearing ratio

Gearing ratio is calculated by dividing total borrowings by total equity, based on the sum of bank loans and other borrowings as at the corresponding date divided by the total equity on the same date. As at 30 June 2026, gearing ratio was nil (31 December 2025: nil).

Significant investments

As at 30 June 2026, we did not have any significant investments.

Save as disclosed in the paragraphs headed "Use of net proceeds from listing", we have no other plans for material investments or capital assets.

Capital commitments

As at 30 June 2026, the Group had no capital commitment (31 December 2025: nil).

Charge on assets

As at 30 June 2026, we did not have any charges on our assets.

Contingent liabilities

As at 30 June 2026, we did not have any significant contingent liabilities.

Material acquisitions and disposals of subsidiaries, associates and joint ventures

Save as disclosed below, the Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures during the six months ended 30 June 2026.

- ***Completion of transaction with Sino-Ocean Group in respect of 2,418 parking spaces***

  During the six months ended 30 June 2026, the return of 2,418 parking spaces located in the PRC (the "Target Assets") by the Group to Sino-Ocean Group (the "Return") and the settlement of the amount in the sum of RMB312,400,500 payable by Sino-Ocean Group to the Group as a result of the Return by a guaranteed loan granted by the Company or its designated wholly-owned subsidiary (as lender) to a designated wholly-owned subsidiary of Sino-Ocean Group Company (as borrower), with Sino-Ocean Group Company acting as the guarantor for the loan (the "Transaction"), had been completed, following which the Group had ceased to have any interest in the Target Assets.

  Details of the Transaction have been disclosed in the announcement of the Company dated 16 July 2025, the circular of the Company dated 15 October 2025 and the paragraphs headed "Material acquisitions and disposals of subsidiaries, associates and joint ventures" under the sub-section headed "FINANCIAL REVIEW" in the section headed "Management Discussion and Analysis" of the 2025 annual report of the Company.

- ***Acquisition of 191 parking spaces***

  On 25 March 2026, Ocean Homeplus Property Service Corporation Limited* (遠洋億家物業服務股份有限公司) ("Ocean Homeplus", a wholly-owned subsidiary of the Company) and Beijing Yuanxin Asset Management Co., Ltd.* (北京遠新資產管理有限公司) ("Beijing Yuanxin", a wholly-owned subsidiary of Sino-Ocean Group Company) entered into a parking space asset acquisition agreement in relation to the acquisition by Ocean Homeplus of 191 parking spaces in the PRC from Beijing Yuanxin (the "Asset Transfer").

  The aggregate consideration payable by Ocean Homeplus to Beijing Yuanxin for the Asset Transfer is RMB31,333,400, which shall be fully settled by way of set-off against the refundable deposit receivables due from Beijing Yuanxin to Ocean Homeplus in the amount of RMB31,333,400 under an agreement dated 14 October 2022 (as amended and supplemented from time to time) entered into between the Company (on behalf of each member of the Group) and Sino-Ocean Group Company (on behalf of each member of Sino-Ocean Group Company and its associates (collectively the "Sino-Ocean Connected Persons") in relation to the grant of exclusive sales rights by the Sino-Ocean Connected Person(s) to the Group and the provision of exclusive sales agency services by the Group to the Sino-Ocean Connected Person(s) with respect to certain parking space(s) developed or held by the Sino-Ocean Connected Person(s).

  The Asset Transfer had been completed during the six months ended 30 June 2026.

  Details of the Asset Transfer are disclosed in the announcement of the Company dated 25 March 2026 and the circular of the Company dated 6 May 2026.

Employees and human resources

As at 30 June 2026, the Group had 7,543 employees (30 June 2025: 8,382 employees). The total number of employees serving the Group decreased primarily attributable to the optimization of the Company's business strategy. At the same time, we continued to elevate our effort on improving both manpower effectiveness and corporate governance capabilities, as well as optimizing resources allocation of the Group during the period. Our employee benefit expenses for the first half of 2026 were RMB441.9 million (first half of 2025: RMB447.2 million).

We have adopted an effective human resource system that provides differentiated employee training, performance evaluation and incentive measures which are tailored to the needs of different positions, from entry-level staff to senior management, with different skill requirements and career aspirations. We have competitive compensation plan, sound employee welfare policy, regular performance appraisal and internal rating system to attract external talents as well as retaining employees and management for our business expansion. We have also implemented various types of incentive schemes for different levels of employees.

We believe that our results-driven and value-sharing culture together with our well-developed talent selection, cultivation and evaluation initiatives have enabled us to identify, recruit, train and retain employees who share our fundamental values and are able to provide professional and high-quality services to customers, thus making us stand out from our competitors.

Important event after the reporting period

As at the date of this interim results announcement, there was no important event affecting the Group after the six months ended 30 June 2026.

Use of net proceeds from listing

The Shares were listed on the Main Board of the Stock Exchange on 17 December 2020 with 296,000,000 new Shares issued at a final offer price of HKD5.88 per Share. After deduction of the underwriting fees and commissions and expenses payable by the Company, net proceeds from the listing amounted to approximately HKD1,691.7 million (equivalent to approximately RMB1,426.3 million) and the net proceeds per Share were HKD5.72 (equivalent to approximately RMB4.82). Such proceeds were intended to be applied in the manner consistent with that disclosed in the Prospectus as set out below:

- Approximately 60%, or HKD1,015.0 million (equivalent to approximately RMB855.8 million), will be used to pursue selective strategic investment and acquisition opportunities and to further develop strategic alliances and expand the scale of our property management business;

- Approximately 20%, or HKD338.3 million (equivalent to approximately RMB285.3 million), will be used to develop smart community through upgrading of our systems for smart management;

- Approximately 10%, or HKD169.2 million (equivalent to approximately RMB142.6 million), will be used to enhance our level of digitization and our internal information technology infrastructure; and

- Approximately 10%, or HKD169.2 million (equivalent to approximately RMB142.6 million), will be used for working capital and general corporate purpose.

As disclosed in the announcement of the Company on 11 November 2022 (the "Change in Use of Proceeds Announcement"), having carefully considered the increasingly competitive landscape in the property management industry in the PRC and the rise in operation costs brought about by the COVID-19 pandemic, the Group has taken a more conservative approach and has been exploring means with comparatively less capital commitment and manageable risks to better utilize the unutilized net proceeds and increase the proportion of businesses that could bring about a more stable source of income, with a view to bringing about considerable returns to the Shareholders. As such, in order to improve the efficiency and to optimize the use of the unutilized net proceeds, the Board had resolved to change the proposed use of unutilized net proceeds in the amount of approximately RMB532.3 million originally allocated for (a) pursuing selective strategic investment and acquisition opportunities and to further develop strategic alliances and expanding the scale of the Company's property management business; (b) developing smart community by upgrading the Company's systems for smart management; and (c) enhancing the Company's level of digitization and the Company's internal information technology infrastructure, towards the (i) further expansion of and diversification into value-added services; (ii) further expansion of the business of commercial asset operation; and (iii) acquisition of self-use office premises (the "Reallocation"). Please refer to the Change in Use of Proceeds Announcement for details.

As at 30 June 2026, our planned use and actual use of net proceeds from listing was as follows:

	Planned use of net proceeds as disclosed in the Prospectus *(RMB million)*	**Utilized immediately before Reallocation** *(RMB million)*	**Planned use of net proceeds after Reallocation** *(RMB million)*	**Unutilized as at 31 December 2025** *(RMB million)*	**Utilized during the period** *(RMB million)*	**Unutilized as at 30 June 2026** *(RMB million)*	**Expected timetable for the usage of the unutilized net proceeds as at 30 June 2026**
Pursue selective strategic investment and acquisition opportunities and to further develop strategic alliances and expand the scale of our property management business	855.8	663.3	663.3	95.0	8.6	86.4 [Note 1]	On or before 30 June 2027
Develop smart community through upgrading of our systems for smart management	285.3	28.3	28.3	—	—	—	N/A
Enhance our level of digitisation and our internal information technology infrastructure	142.6	44.8	59.8	—	—	—	N/A
Working capital and general corporate purpose	142.6	142.6	142.6	—	—	—	N/A
Further expansion of and diversification into value-added services including (i) the acquisition of exclusive sales rights for parking spaces, and/or (ii) the investment in and/or acquisition of target(s) that provide complementary value-added services and other upstream and downstream business synergies	—	—	375.5	0.3	0.3	—	N/A
Further expansion of the business of commercial asset operation pursuant to the commercial property leasing and operation arrangement	—	—	79.4	—	—	—	N/A
Acquisition of self-use office premises in Shenzhen and Beijing, PRC [Note 2]	—	—	77.4	—	—	—	N/A
Total	1,426.3	879.0	1,426.3	95.3	8.9	86.4	

Notes:

1) As at the date of this announcement, RMB86.4 million had not been utilized. The expected time to utilize such remaining net proceeds had been further extended from on or before 30 June 2026 (as disclosed in the 2025 annual report of the Company) to on or before 30 June 2027, as it would take time for the Company to evaluate and identify suitable investment and acquisition targets under the current market conditions. It is expected that such remaining net proceeds would still be utilized for the purpose of pursuing selective strategic investment and acquisition opportunities and to further develop strategic alliances and expand the scale of the Company's property management business as disclosed in the Prospectus and the Change in Use of Proceeds Announcement.

2) As disclosed in the 2024 annual report of the Company, the acquired premises had been re-designated for rental purposes. The Company will continue to carry out strategic reviews of the Group's assets from time to time with a view to maximizing returns to the Shareholders and, with due consideration given to factors including the then market conditions, valuation as well as the interests of the Company and the Shareholders as a whole, the Company may also consider to dispose of all or part of the acquired premises in future should suitable opportunity arise.

Save for the aforesaid changes, the Directors were not aware of any material change to the planned use of net proceeds as at the date of this announcement. Despite the above change in the use of the unutilized net proceeds, the Board confirmed that there are no material changes in the nature of the business of the Group as set out in the Prospectus. The Board considered the above change in the use of the unutilized net proceeds was fair and reasonable as this would allow the Company to deploy its financial resources more effectively to reduce the operation costs of the Group and enhance the profitability of the Group and was therefore in the interests of the Group and the Shareholders as a whole.

The unutilized net proceeds prior to the full utilization were deposited with licensed banks or financial institutions in Mainland China and Hong Kong. As at the date of this announcement, the unutilized net proceeds amounted to RMB86.4 million. The expected timeline of full utilization set out above is based on the Company's best estimation barring unforeseen circumstances, and is subject to change in light of future development of market conditions.

The unaudited interim results of the Group for the six months ended 30 June 2026 are as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	**Six months ended 30 June** **2026**	2025
		RMB'000	*RMB'000*
		(Unaudited)	(Unaudited)
Revenue	5	**1,290,673**	1,385,781
Cost of sales and services	5,6	**(1,090,282)**	(1,223,147)
Gross profit		**200,391**	162,634
Selling and marketing expenses	6	**(6,315)**	(9,055)
Administrative expenses	6	**(100,311)**	(106,930)
Impairment losses on goodwill		**(14,911)**	(156,244)
Net impairment losses on financial assets		**(119,873)**	(217,334)
Other income		**5,174**	7,135
Other losses, net	7	**(19,965)**	(359)
Operating loss		**(55,810)**	(320,153)
Finance costs		**(176)**	(300)
Share of results in joint ventures		**(97)**	(884)
Loss before income tax		**(56,083)**	(321,337)
Income tax (expense)/credit	8	**(9,546)**	11,511
Loss and total comprehensive income for the period		**(65,629)**	(309,826)
(Loss)/profit and total comprehensive income for the period attributable to:			
Owners of the Company		**(65,560)**	(310,106)
Non-controlling interests		**(69)**	280
		(65,629)	(309,826)
Loss per share for loss attributable to owners of the Company			
Basic and diluted (expressed in RMB per share)	9	**(0.06)**	(0.26)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**30 June 2026** *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Assets			
Non-current assets			
Investment properties		**86,406**	68,294
Property, plant and equipment		**24,737**	27,852
Intangible assets		**264,943**	295,605
Right-of-use assets		**4,962**	5,150
Investments in joint ventures		**32,829**	32,926
Other loans	12	**12,212**	—
Deferred income tax assets		**428,154**	427,735
Total non-current assets		**854,243**	857,562
Current assets			
Inventories		**185,239**	211,507
Trade and note receivables	11	**768,203**	675,675
Contract assets		**4,829**	4,558
Prepayments and other receivables		**135,496**	187,346
Restricted bank deposits		**27,027**	18,257
Cash and cash equivalents		**608,359**	693,805
Total current assets		**1,729,153**	1,791,148
Total assets		**2,583,396**	2,648,710
Equity			
Share capital		**99,829**	99,829
Reserves		**1,172,557**	1,185,226
Accumulated losses		**(625,580)**	(560,020)
Equity attributable to owners of the Company		**646,806**	725,035
Non-controlling interests		**25,006**	25,075
Total equity		**671,812**	750,110

	Notes	**30 June 2026** *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Liabilities			
Non-current liabilities			
Trade and other payables	13	**7,087**	7,096
Lease liabilities		**3,000**	3,473
Deferred income tax liabilities		**35,541**	38,601
Total non-current liabilities		**45,628**	49,170
Current liabilities			
Trade and other payables	13	**1,319,078**	1,348,209
Contract liabilities		**516,962**	474,693
Lease liabilities		**2,256**	1,969
Current tax liabilities		**27,660**	24,559
Total current liabilities		**1,865,956**	1,849,430
Total liabilities		**1,911,584**	1,898,600
Total equity and liabilities		**2,583,396**	2,648,710

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Sino-Ocean Service Holding Limited (the "Company") was incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Cayman Islands Companies Law Chapter 22 (Law 3 of 1961, as consolidated and revised) on 15 April 2020. The address of the Company's registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 17 December 2020.

The Company is an investment holding company. The Company and its subsidiaries (together the "Group") are primarily engaged in the provision of property management services, community value-added services and value-added services to non-property owners in the People's Republic of China (the "PRC").

The Company's immediate holding company is Shine Wind Development Limited, which was incorporated with limited liability in the British Virgin Islands. Its ultimate holding company is Sino-Ocean Group Holding Limited ("Sino-Ocean Group Company"), a limited liability company incorporated in Hong Kong on 12 March 2007, and its shares are listed on the Stock Exchange.

These interim condensed consolidated financial statements have not been audited and is presented in Renminbi ("RMB") (which is also the Company's presentational currency, unless otherwise stated. These interim condensed consolidated financial statements have been approved for issue by the board of directors of the Company (the "Board") on 27 August 2026.

2. BASIS OF PREPARATION

These interim condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with Hong Kong Accounting Standards ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

This interim financial information does not include all the notes of the type normally included in the annual financial report. Accordingly, these interim condensed consolidated financial statements should be read in conjunction with the annual financial report for the year ended 31 December 2025 and any public announcements made by the Company during the interim reporting period.

3. ACCOUNTING POLICIES

Application of amendments to HKFRS Accounting Standards

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current period

In the current period, the Group has applied the following amendments to HKFRS Accounting Standards as issued by the HKICPA that are first effective for the current accounting period of the Group:

Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature — Dependent Electricity
Annual Improvement to HKFRS Accounting Standards — Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

The application of the amendments to the standards listed above in the current period has had no material effect on the Group's financial performance and financial position for the current and prior period and on the disclosures set out in these interim condensed consolidated financial statements.

4. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by chief operating decision-maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the Board. During the six months ended 30 June 2026, the Group is principally engaged in the provision of property management services, community value-added services and value-added services to non-property owners in the PRC. Management reviews the operating results of the business by geography but these operating segments are aggregated into a single operating segment as the nature of services, the type of customers for services, the methods used to provide their services and the nature of regulatory environment is same in different regions.

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

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

5. REVENUE AND COST OF SALES AND SERVICES

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

	Six months ended 30 June			
	2026		2025	
	Revenue	**Cost of sales and services**	Revenue	Cost of sales and services
	RMB'000	***RMB'000***	*RMB'000*	*RMB'000*
	(Unaudited)	**(Unaudited)**	(Unaudited)	(Unaudited)
Type of goods or services				
Property management services	**1,002,587**	**895,260**	1,031,172	862,204
Community value-added services	**200,518**	**122,224**	248,525	272,559
Value-added services to non-property owners	**87,568**	**72,798**	106,084	88,384
	1,290,673	**1,090,282**	1,385,781	1,223,147
Timing of revenue recognition				
Over time	**1,187,353**	**1,015,495**	1,245,300	999,408
Point in time	**56,528**	**47,983**	91,631	183,988
	1,243,881	**1,063,478**	1,336,931	1,183,396
Revenue from other sources				
Rental income	**46,792**	**26,804**	48,850	39,751

For the six months ended 30 June 2026, revenue from entities controlled by Sino-Ocean Group Company, joint ventures and associates of Sino-Ocean Group Company and the shareholder of ultimate holding company of the Group contributed 6.5% (for the six months ended 30 June 2025: 6.6%) of the Group's revenue. Other than Sino-Ocean Group Company, its joint ventures and associates and the shareholder of ultimate holding company of the Group, the Group has a large number of customers, none of whom contributed approximately 10% or more of the Group's revenue during the six months ended 30 June 2026 and 2025.

6. EXPENSES BY NATURE

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Employee benefit expenses	**441,881**	447,213
Outsourced security, greening and cleaning expenses	**428,202**	415,212
Maintenance expenses and utilities	**188,399**	178,585
Cost of consumables and construction materials	**8,390**	9,337
Cost of merchandises sold	**26,074**	38,203
Cost of selling carpark spaces and properties	**4,236**	29,387
Sub-contract expenses for home improvement and property agency services	**5,742**	7,425
Office-related expenses	**30,946**	41,813
Depreciation and amortisation charges	**23,373**	30,488
Community activities expenses	**6,315**	9,055
Taxes and surcharges	**8,637**	7,220
Write-down of inventories to net realisable value	**1,802**	91,263
Auditors' remuneration		
— Audit services	**—**	—
— Non-audit services	**950**	950
Others	**21,961**	32,981
	1,196,908	1,339,132

7. OTHER LOSSES, NET

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss on disposal of property, plant and equipment	**(3)**	(17)
Gain on disposal of investment properties	**240**	—
Loss arising from the Transaction *(Note)*	**(20,275)**	—
Net foreign exchange gains/(losses)	**73**	(342)
	(19,965)	(359)

Note: It represents the losses derived from the transaction in relation to the return of parking spaces by the Group to Sino-Ocean Group Company (the holding company and a controlling shareholder of the Company) and its subsidiaries (the "Transaction"). The losses of RMB207,107,000 were recognised in profit or loss as at 31 December 2025.

Upon the completion, the losses of RMB20,275,000 with reference to the fair value of the guaranteed loan were recognised in profit or loss on 20 April 2026.

8. INCOME TAX EXPENSE/(CREDIT)

The group entities are subjected to PRC corporate income tax, which has been provided for based on the applicable tax rate of the estimated assessable income of each of these group entities for the six months ended 30 June 2026 and 2025. Certain subsidiaries of the Group in the PRC are qualified as small, micro-Enterprise business and enjoy preferential income tax rate of 5%. Companies registered in Hong Kong are mainly subjected to Hong Kong Profits Tax.

The amount of income tax expense/(credit) recognised in the interim condensed consolidated statement of comprehensive income represents:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current income tax		
— PRC corporate income tax	**18,655**	61,054
— PRC land appreciation tax	**(187)**	74
	18,468	61,128
Deferred income tax		
— Origination and reversal of temporary differences	**(8,922)**	(72,639)
Income tax expense/(credit)	**9,546**	(11,511)

9. LOSS PER SHARE

The basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares of 1,184,000,000 (for the six months ended 30 June 2025: 1,184,000,000) in issue during the six-month periods.

For the six months ended 30 June 2026 and 2025, diluted loss per share was equal to the basic loss per share as there were no dilutive potential ordinary shares.

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Loss attributable to owners of the Company *(RMB'000)*	**(65,560)**	(310,106)
Weighted average number of ordinary shares in issue *(in thousands)*	**1,184,000**	1,184,000
Basic and diluted loss per share for loss attributable to the owners of the Company during the period *(expressed in RMB per share)*	**(0.06)**	(0.26)

10. DIVIDENDS

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
2025 final dividend paid of RMB0.0107 (2025: 2024 final dividend of RMB Nil) per ordinary share *(note a)*	**12,669**	—
2026 interim dividend paid of RMB Nil (2025: 2025 interim dividend of RMB Nil) per ordinary share *(note b)*	**—**	—
Dividends paid for the period	**12,669**	—

Notes:

(a) During the six months ended 30 June 2026, the Company declared and paid final dividends with aggregated amount of RMB12,669,000 (for the six months ended 30 June 2025: RMB Nil) to the Company's shareholders.

(b) The Group does not propose any interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: RMB Nil).

11. TRADE AND NOTE RECEIVABLES

	As at	
	30 June	31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade receivables		
Related parties	**615,849**	633,441
Third parties	**1,330,332**	1,184,843
	1,946,181	1,818,284
Note receivables		
Third parties	**—**	500
	1,946,181	1,818,784
Less: allowance for impairment of trade and note receivables	**(1,177,978)**	(1,143,109)
Total	**768,203**	675,675

Due to the short-term nature of trade and note receivables, their carrying amounts are considered to be same as their fair values.

Ageing analysis of trade and note receivables, based on the invoice date, were follows:

	As at	
	30 June	31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 year	**650,364**	568,737
1–2 years	**328,775**	345,789
2–3 years	**354,615**	405,783
Over 3 years	**612,427**	498,475
Total	**1,946,181**	1,818,784

12. OTHER LOANS

	As at	
	30 June	31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Other loans	**12,212**	—

The other loans were granted to a subsidiary of Sino-Ocean Group Company (the holding company and a controlling shareholder of the Company) on 20 April 2026, for the purpose of settling the consideration for the return of parking spaces by the Group to Sino-Ocean Group and its subsidiaries. The other loans are unsecured, guaranteed by Sino-Ocean Group Company, interest-bearing at a rate of 2% per annum and payable semi-annually, for a term period of ten years.

For more details, please refer to the announcement and circular of the Company dated 16 July 2025 and 15 October 2025, respectively.

13. TRADE AND OTHER PAYABLES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Trade payables		
— Related parties	**31,220**	38,039
— Third parties	**784,138**	842,174
	815,358	880,213
Other payables		
— Related parties	**20,652**	17,579
— Deposits	**140,590**	147,032
— Amounts collected on behalf of property owners	**215,830**	195,116
— Others	**48,401**	44,070
	425,473	403,797
Dividends payables		
— Non-controlling shareholders	**1,320**	1,320
Accrued payroll and welfare payables	**76,457**	65,562
Other tax payables	**7,557**	4,413
	84,014	69,975
Less: non-current portion	**(7,087)**	(7,096)
Total	**1,319,078**	1,348,209

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

As at 30 June 2026 and 31 December 2025, ageing analysis of trade payables at the reporting date, based on the invoice dates, is as follows:

	As at	
	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 year	**634,379**	688,664
1–2 years	**78,233**	78,238
2–3 years	**20,963**	29,908
Over 3 years	**81,783**	83,403
Total	**815,358**	880,213

14. SUBSEQUENT EVENT

The Group did not have material subsequent events after the reporting period.

REVIEW OF INTERIM FINANCIAL INFORMATION

The unaudited interim financial information of the Group for the six months ended 30 June 2026 has been reviewed by the auditors of the Company, BDO Limited, 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.

The Audit Committee has reviewed with the management of the Company the accounting policies and practices adopted by the Group and discussed, among other things, internal control, risk management and financial reporting matters including a review of the unaudited interim condensed consolidated results of the Group for the six months ended 30 June 2026. The Audit Committee consists of three Independent Non-executive Directors, namely Mr. LEUNG Wai Hung, Dr. GUO Jie and Mr. HO Chi Kin Sammy, and two Non-executive Directors, namely Mr. CUI Hongjie and Mr. ZHAI Senlin. Mr. LEUNG Wai Hung is the chairman of the Audit Committee.

INTERIM DIVIDEND

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

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities (including the sale of treasury shares, if any) of the Company during the six months ended 30 June 2026. During the six months ended 30 June 2026 and up to the date of this announcement, the Company did not hold any treasury shares.

CORPORATE GOVERNANCE

In the opinion of the Board, the Company had applied the principles of the CG Code to its corporate governance structure and practices which have been described in the Corporate Governance Report contained in the annual report of the Company for the year ended 31 December 2025 and complied with all the applicable code provisions of the CG Code throughout the six months ended 30 June 2026, except for the deviation as disclosed below:

Code provision C.5.7 of the CG Code stipulates that if a substantial shareholder or a director has a conflict of interest in a matter to be considered by the board which the board has determined to be material, the matter should be dealt with by a physical board meeting rather than a written resolution. Throughout the six months ended 30 June 2026, the Board approved a connected transaction (the "Connected Transaction") by way of passing written resolutions in lieu of a physical board meeting, in respect of which certain Directors were regarded as having material interests. It is considered that the adoption of written resolutions in lieu of the physical board meeting allowed the Board to make decision in relation to the Connected Transaction in a more efficient manner. Prior to the execution of the written resolutions, Board papers regarding details and information, reasons for and benefits, as well as fairness of the Connected Transaction were provided to all Directors in advance for their review and consideration, and all Directors had declared their interests in the matters (if any) in accordance with the Articles and applicable laws. The Directors who had material interests in the Connected Transaction abstained from voting on the written resolutions.

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

This interim results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.sinooceanservice.com). The Company's interim report for the six months ended 30 June 2026 will be despatched by the Company to the Shareholders in the manner as they elect to receive corporate communication and available on the websites of the Stock Exchange and the Company in due course.

APPRECIATION

The Board would like to extend its deepest gratitude to all Shareholders, investors, customers, business partners, the government for the tremendous support and all the directors, management and the entire staff who have worked together with the Group. The Group could not have enjoyed its continued stable growth without their unreserved support.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

"Audit Committee"	the audit committee of the Company
"Board"	the board of directors of the Company
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"China" or "PRC"	the People's Republic of China
"Company" or "Sino-Ocean Service"	Sino-Ocean Service Holding Limited (遠洋服務控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 06677)
"Director(s)"	the director(s) of the Company
"Executive Director(s)"	the executive director(s) of the Company
"GFA"	gross floor area
"Group" or "we"	the Company and its subsidiaries
"HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"Independent Non-executive Director(s)"	the independent non-executive director(s) of the Company
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Non-executive Director(s)"	the non-executive director(s) of the Company
"Prospectus"	the prospectus of the Company dated 7 December 2020
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	the ordinary share(s) of the Company with a nominal value of HKD0.10 each
"Shareholder(s)"	the shareholder(s) of the Company
"Sino-Ocean Group"	Sino-Ocean Group Company and its subsidiaries

"Sino-Ocean Group Company"	Sino-Ocean Group Holding Limited (遠洋集團控股有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 03377), which is the holding company of the Company and a controlling Shareholder
"sq.m."	square metres
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"YoY"	year-on-year
"%"	per cent

By order of the Board
Sino-Ocean Service Holding Limited
YANG Deyong
Joint Chairman

Hong Kong, 27 August 2026

As at the date of this announcement, the Board comprises Mr. YANG Deyong, Mr. HOU Min and Ms. ZHU Geying as Executive Directors; Mr. CUI Hongjie and Mr. ZHAI Senlin as Non-executive Directors; and Dr. GUO Jie, Mr. HO Chi Kin Sammy and Mr. LEUNG Wai Hung as Independent Non-executive Directors.