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**EXCELLENCE COMMERCIAL PROPERTY &
FACILITIES MANAGEMENT GROUP LIMITED**

卓越商企服務集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6989)

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

HIGHLIGHTS

1. Revenue of the Group for the six months ended 30 June 2026 was approximately RMB2,099.94 million, representing an increase of 5.2% from approximately RMB1,996.18 million for the corresponding period in 2025*.
2. Gross profit of the Group for the six months ended 30 June 2026 was approximately RMB391.32 million, representing an increase of 8.6% from approximately RMB360.41 million for the corresponding period in 2025*.
3. Profit of the Group for the six months ended 30 June 2026 was approximately RMB111.28 million, representing a decrease of 31.4% from approximately RMB162.31 million for the corresponding period in 2025. Profit attributable to equity shareholders of the Company for the six months ended 30 June 2026 was approximately RMB117.91 million, representing a decrease of 19.8% from approximately RMB146.99 million for the corresponding period in 2025.

* The Group disposed of its financial services business on 31 May 2025. The revenue and gross profit for the corresponding period in 2025 set out above are presented in respect of continuing operations and do not include the results of the discontinued operations.

RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Excellence Commercial Property & Facilities Management Group Limited (the “**Company**”) is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively the “**Group**” or “**we**” or “**our**”) for the six months ended 30 June 2026 (the “**Reporting Period**”), together with the comparative figures for the same period of last year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the six months ended 30 June 2026 – unaudited

(Expressed in Renminbi)

		Six months ended 30 June	
		2026	2025
	Note	RMB'000	RMB'000
Continuing operation			
Revenue	3	2,099,944	1,996,183
Cost of sales		<u>(1,708,624)</u>	<u>(1,635,774)</u>
Gross profit		391,320	360,409
Other revenue		5,650	5,312
Other net (loss)/gain		(3,963)	2,372
Impairment losses on receivables, contract assets and financial guarantee issued		(113,243)	(31,084)
Selling and marketing expenses		(19,335)	(24,222)
Administrative expenses		<u>(112,086)</u>	<u>(104,857)</u>
Profit from operations		148,343	207,930
Finance costs		(168)	(233)
Share of profits less losses of associates		(643)	2,098
Share of profits less losses of joint ventures		<u>1,642</u>	<u>1,588</u>
Profit before taxation		149,174	211,383
Income tax	4	<u>(37,892)</u>	<u>(53,783)</u>
Profit for the period from continuing operation		111,282	157,600
Discontinued operation			
Profit for the period from discontinued operation		<u>–</u>	<u>4,706</u>
Profit for the period		<u>111,282</u>	<u>162,306</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
for the six months ended 30 June 2026 – unaudited (continued)
(Expressed in Renminbi)

	Six months ended 30 June	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
Attributable to:		
Equity shareholders of the Company	117,912	146,992
Non-controlling interests	(6,630)	15,314
Profit for the period	111,282	162,306
Basic earnings per share (<i>RMB cents</i>)		
– continuing operation	9.66	11.66
– discontinued operation	–	0.39
	9.66	12.05

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2026 – unaudited

(Expressed in Renminbi)

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Profit for the period	111,282	162,306
Other comprehensive income for the period		
Items that may be reclassified subsequently to profit or loss:		
– Exchange differences on translation of financial statements of entities not using Renminbi (“RMB”) as functional currency	<u>(231)</u>	<u>308</u>
Total comprehensive income for the period	<u>111,051</u>	<u>162,614</u>
Attributable to:		
Equity shareholders of the Company	117,681	147,300
Non-controlling interests	<u>(6,630)</u>	<u>15,314</u>
Total comprehensive income for the period	<u>111,051</u>	<u>162,614</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2026 – unaudited

(Expressed in Renminbi)

		At 30 June 2026	At 31 December 2025
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Non-current assets			
Property, plant and equipment	6	41,246	45,961
Right-of-use assets	6	700,207	711,030
Intangible assets		237,107	251,959
Goodwill		204,287	204,287
Interests in associates		19,138	53,967
Interests in joint ventures		164,968	163,326
Deferred tax assets		187,579	157,994
		1,554,532	1,588,524
Current assets			
Inventories		605,957	591,985
Contract assets		9,780	12,429
Trade and other receivables	7	2,061,594	1,922,939
Prepaid tax		2,796	2,644
Financial assets measured at fair value through profit or loss (“ FVPL ”)		77,854	129,137
Restricted deposits		132,836	114,845
Cash and cash equivalents		1,191,502	1,104,730
		4,082,319	3,878,709
Current liabilities			
Contract liabilities		213,245	188,371
Trade and bills and other payables	8	1,154,635	1,134,558
Financial guarantee issued		139,764	122,825
Lease liabilities		3,483	4,609
Current taxation		120,702	116,157
		1,631,829	1,566,520
Net current assets		2,450,490	2,312,189

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2026 – unaudited (continued)

(Expressed in Renminbi)

		At 30 June 2026	At 31 December 2025
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Total assets less current liabilities		4,005,022	3,900,713
Non-current liabilities			
Lease liabilities		758	2,718
Deferred tax liabilities		53,920	57,041
		54,678	59,759
NET ASSETS		3,950,344	3,840,954
CAPITAL AND RESERVES			
Share capital	9	10,479	10,479
Reserves		3,865,769	3,748,088
Total equity attributable to equity shareholders of the Company		3,876,248	3,758,567
Non-controlling interests		74,096	82,387
TOTAL EQUITY		3,950,344	3,840,954

NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION

(Expressed in Renminbi unless otherwise indicated)

1 BASIS OF PREPARATION

The interim results set out in the announcement do not constitute the interim financial report for the six months ended 30 June 2026 of the Group but are extracted from the report.

The interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard (“**HKAS**”) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). It was authorised for issue on 27 August 2026.

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

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

2 CHANGES IN ACCOUNTING POLICIES

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

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are the provision of basic property management services and value-added services.

Disaggregation of revenue from contracts with customers by each significant category is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of Hong Kong Financial Reporting Standards (“HKFRSs”) 15		
Property management services		
Basic property management services		
– Commercial property	1,356,110	1,229,380
– Public and industrial property	202,858	201,016
– Residential property	368,956	369,386
	<u>1,927,924</u>	<u>1,799,782</u>
Value-added services	152,809	184,284
Sales of properties	<u>19,211</u>	<u>12,117</u>
	<u>2,099,944</u>	<u>1,996,183</u>
Revenue from other sources		
Finance services income (discontinued)	<u>–</u>	<u>18,962</u>
	<u>–</u>	<u>18,962</u>
	<u>2,099,944</u>	<u>2,015,145</u>

For the six months ended 30 June 2026, the revenue from Excellence Real Estate Group Co., Ltd. (“卓越置業集團有限公司”) and its subsidiaries (together, the “**Excellence Group**”) and other related parties that included companies that were owned by or under significant influence of the ultimate controlling shareholder and chairman of the Board of the Company, amounted to RMB142,611,000 (six months ended 30 June 2025: RMB162,451,000). The Group has a large number of customers in addition to Excellence Group, but none of them accounted for 10% or more of the Group’s revenue during the period.

(b) **Segment reporting**

The chief operating decision maker (“CODM”) has been identified as the executive directors of the Company who are responsible for allocating resources and assessing the performance of operating segments. The CODM regularly reviews the Group’s performance. Since the principal business of the Group is related to provide basic property management services and value-added services, the CODM makes decisions on resource allocation and performance assessment based on entity-wide consolidated financial information. Therefore, the Group has only one single operating segment which meets the definition of a reportable segment under HKFRS 8. No separate segment analysis is presented in the consolidated financial statements.

Majority of the Group’s revenues were derived from Chinese Mainland during the six months ended 30 June 2026 and 2025.

4 INCOME TAX

	Six months ended 30 June	
	2026	2025
	RMB’000	RMB’000
Current tax		
Provision for the period	70,598	63,357
Deferred tax		
Origination and reversal of temporary differences	(32,706)	(9,574)
	37,892	53,783

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (“BVI”), the Group is not subject to any income tax in the Cayman Islands and the BVI during the period.

No provision for Hong Kong Profits Tax was made as the Group did not earn any income subject to Hong Kong Profits Tax during the period.

The Group’s major Chinese Mainland subsidiaries are subject to Corporate Income Tax (“CIT”) at a statutory rate of 25% on their respective taxable income during the period. The different tax rates mainly come from certain Chinese Mainland subsidiaries, which are regarded as small profit enterprise or registered and operated in western region of Chinese Mainland, are entitled to People’s Republic of China (the “PRC”) income tax at a preferential rate of 15% since 2022.

Withholding taxes are levied on dividend distributions arising from profit of Chinese Mainland subsidiaries at 5%. The PRC CIT Law and its implementation rules impose a withholding tax at 10%, unless reduced by a tax treaty or arrangement, for dividends distributed by Chinese Mainland resident enterprises to their non-Chinese Mainland-resident corporate investors. Under the Sino-Hong Kong Double Tax Arrangement, a qualified Hong Kong tax resident is entitled to a reduced withholding tax rate of 5% if the Hong Kong tax resident is the “beneficial owner” and holds 25% or more of the equity interest of Chinese Mainland enterprise directly. Since the Group could control the quantum and timing of distribution of profits of the Group’s subsidiaries in Chinese Mainland, deferred tax liabilities are only provided to the extent that such profits are expected to be distributed in the foreseeable future.

5 BASIC EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of RMB117,912,000 (six months ended 30 June 2025: RMB146,992,000) and the weighted average of 1,220,348,000 ordinary shares (six months ended 30 June 2025: 1,220,348,000 ordinary shares) in issue during the six months ended 30 June 2026. For the six months ended 30 June 2026 and 30 June 2025, the Group does not have any potentially dilutive shares in issue.

6 RIGHT-OF-USE ASSETS AND OTHER PROPERTY, PLANT AND EQUIPMENT

(a) Right-of-use assets

During the six months ended 30 June 2026, the Group entered into a number of lease arrangements for use of office spaces and dormitories and therefore recognised the additions to right-of use assets as properties leased for own use in property, plant and equipment of RMB515,000 (six months ended 30 June 2025: RMB2,082,000).

(b) Acquisitions and disposals of owned assets

During the six months ended 30 June 2026, the Group acquired items of property, plant and equipment with a cost of RMB6,580,000 (six months ended 30 June 2025: RMB4,294,000). Items of property, plant and equipment with a net book value of RMB1,031,000 were disposed of during the six months ended 30 June 2026 (six months ended 30 June 2025: RMB535,000), resulting in losses on disposals of RMB22,000 (six months ended 30 June 2025: RMB21,000).

7 TRADE AND OTHER RECEIVABLES

		At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
	Notes		
Current			
Trade receivables	(a)		
– Related parties		777,682	780,978
– Third parties		1,368,349	1,238,790
		<u>2,146,031</u>	<u>2,019,768</u>
Less: loss allowance		<u>(510,018)</u>	<u>(451,325)</u>
		<u>1,636,013</u>	<u>1,568,443</u>
Other receivables			
– Related parties		46,850	49,518
– Third parties	(b)	219,245	190,181
		<u>266,095</u>	<u>239,699</u>
Less: loss allowance		<u>(30,726)</u>	<u>(43,549)</u>
		<u>235,369</u>	<u>196,150</u>
Financial assets measured at amortised cost		1,871,382	1,764,593
Deposits and prepayments		<u>190,212</u>	<u>158,346</u>
		<u>2,061,594</u>	<u>1,922,939</u>

Notes:

- (a) Trade receivables are primarily related to revenue recognised from the provision of basic property management services and value-added services.
- (b) As at 30 June 2026, other receivables included consideration receivable of RMB30,129,000 in respect of disposal of an associate.

Ageing analysis

As at 30 June 2026, the ageing analysis of trade receivables (net of loss allowance) based on the date of revenue recognition and net of loss allowance, is as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Within 1 year	1,238,542	1,136,971
1 to 2 years	395,231	480,864
2 to 3 years	311,682	280,770
Over 3 years	200,576	121,163
	<u>2,146,031</u>	<u>2,019,768</u>
Less: loss allowance	<u>(510,018)</u>	<u>(451,325)</u>
	<u><u>1,636,013</u></u>	<u><u>1,568,443</u></u>

Impairment losses in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly.

8 TRADE AND BILLS AND OTHER PAYABLES

	Notes	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Current			
Trade and bills payables	(a)		
– Related parties		57,915	30,535
– Third parties		<u>575,206</u>	<u>533,573</u>
		<u>633,121</u>	<u>564,108</u>
Other payables			
– Related parties		10,291	10,966
– Third parties		<u>73,202</u>	<u>59,297</u>
		<u>83,493</u>	<u>70,263</u>
Dividends payable to non-controlling interests		6,205	6,205
Cash collected on behalf of property owners' association		25,051	31,772
Housing maintenance funds held on behalf of property owners		<u>26,101</u>	<u>24,552</u>
Financial liabilities measured at amortised cost		773,971	696,900
Accrued payroll and other benefits		204,372	263,825
Deposits	(b)	143,805	136,630
Accrued charges		<u>32,487</u>	<u>37,203</u>
		<u><u>1,154,635</u></u>	<u><u>1,134,558</u></u>

Notes:

- (a) Trade payables mainly represent payables arising from sub-contracting services including cleaning, security, landscaping, engineering materials or facilities and maintenance services provided by suppliers and payables relating to facilities or car parks leasing.
- (b) Deposits mainly represent miscellaneous decoration deposits received from property owners and tenants during the decoration period.

Ageing analysis

As at 30 June 2026, the ageing analysis of trade payables, based on invoice date is as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Within 1 month	170,851	182,682
1 to 3 months	209,470	224,442
3 to 6 months	118,122	51,804
6 to 12 months	67,533	37,939
Over 12 months	67,145	67,241
	<u>633,121</u>	<u>564,108</u>

9 CAPITAL AND DIVIDENDS

(a) Share capital

	At 30 June 2026 HK\$	RMB	At 31 December 2025 HK\$	RMB
Issued and fully paid:				
1,220,348,000 (31 December 2025:				
1,220,348,000) ordinary shares of				
HK\$0.01 each	<u>12,203,482</u>	<u>10,478,929</u>	<u>12,203,482</u>	<u>10,478,929</u>

(b) Dividends

- (i) No dividend was proposed for the six months ended 30 June 2026 and 2025.
- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved during the interim period:

	Six months ended 30 June 2026 RMB'000	2025 RMB'000
No final dividend in respect of the previous financial year, approved during the period (2025: HK6.28 cents (equivalent to RMB5.80 cents) per ordinary share)	<u>–</u>	<u>70,744</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

I. BUSINESS OVERVIEW

ANALYSIS OF THE PRINCIPAL ACTIVITIES

(I) Principal Activities of the Group during the Reporting Period

The Group is a leading commercial real estate service operator in the PRC, which focuses on providing customers with maintenance services covering the full lifecycle of assets and full-chain solutions to meet customers' comprehensive value expectations and assist enterprises in achieving business visions.

Throughout the first half of 2026, the Group remained committed to a long-term-oriented development strategy and pursued prudent and steady operations. With a customer-centric approach, it continuously refined its business portfolio, responded nimbly to evolving market dynamics, strengthened the planning of business independence, and reduced reliance on related-party businesses. In strategic planning, the Company embraces the philosophy of synergistic development between its three strategic pillars and core competence construction. While further deepening its core focus on commercial property services, the principal business, it diversified its value-added services and kept expanding into new customer segments and emerging growth areas. Amid high industry costs and the dual pressures on property services and pricing, the Company will firmly advance its digital transformation to build its core competitiveness. By addressing customer pain points and market demands, we will explore the path of transformation for both the industry and the Company. In terms of business development, the Company has consistently ensured that the Group maintains an independent, sound and sustainable development posture to achieve steady growth.

The Group's main businesses included basic property management services, value-added services and other relevant businesses.

1. Basic Property Management Services

The Group's basic property management services are provided to various types of businesses, including commercial properties, public and industrial properties and residential properties.

(1) Commercial Property Management Services

With its management experience accumulated over two decades, the Group has focused on the development of commercial properties as its main business activities, and has formed a complete commercial property service model.

- Property Management (“PM”) Services for Commercial Offices

The Group serves a large number of Central Business District (“CBD”) landmark office buildings and high-tech enterprises to gain the brand advantages from the high-end commercial projects in the PM business segment and build the capability strength by integrating asset services and corporate services.

The scope of services covers businesses such as preliminary consultation, marketing management, space management, asset leasing and sales agency, smart platform construction, facility maintenance and property comprehensive services.

Signature projects: Shenzhen Excellence Century Centre (深圳卓越世紀中心), Shenzhen One Excellence (深圳卓越前海壹號), Excellence City of Shenzhen (深圳卓越城), Qingdao Excellence Century Centre (青島卓越世紀中心), Shenzhen Excellence Centre (深圳卓越中心), Shenzhen Excellence Houhai Financial Centre (深圳卓越後海金融中心), Shenzhen China Energy Storage Tower (深圳中國儲能大廈), Shanghai Jinhuan Plaza (上海金環廣場), Shenzhen Kangtai Innovation Plaza (深圳康泰創新廣場)

- Facility Management (“FM”) Comprehensive Facility Management Services

The customers the Group serves are mainly Fortune 500 companies and high-tech enterprises. We are dedicated to providing customers with full lifecycle asset maintenance and full-chain comprehensive service solutions, constructing a sound and systematic back-office support system, and forming a matrix of quality customers mainly in the internet, high-tech, finance, modern service and manufacturing industries.

We provide businesses with bespoke integrated facilities management models and formulate strategic long-term plans. Leveraging advanced technologies including the Internet of Things, big data and artificial intelligence (“AI”), we have developed the E+FM Smart Park System. Supported by digital operational management technologies, we construct full life-cycle facilities solutions covering operations and maintenance management, project management, space management, energy consumption management, environmental management, security management and integrated services, improving project management efficiency and delivering maximum value for our corporate clients.

Signature projects: DJI Sky City Shenzhen (深圳大疆天空之城), Huawei Research Institute Suzhou (蘇州華為研究所), Alibaba Xixi Global Headquarters Hangzhou (杭州阿里西溪全球總部), OPPO Headquarters Park Dongguan (OPPO 東莞總部園區), Tencent Tower Shenzhen (深圳騰訊大廈), Baidu International Building Shenzhen (深圳百度國際大廈), WeChat Global Headquarters Guangzhou (廣州全球微信總部), ZTE Shenzhen Science and Technology Park (中興通訊深圳科技園), vivo Headquarters Building Shenzhen (vivo 深圳總部大樓), Guangzhou MINISO Headquarters (廣州名創優品總部), Shanghai United Imaging Industrial Park (上海聯影產業園), and Shanghai Papergames Headquarters Building (上海疊紙總部大樓)

(2) Public and Industrial Property Services

The Group has always remained focused on its core business. Building upon its excellent service quality and strong market reputation, we continue to diversify our services across various business formats. In sectors such as government public facilities, education and healthcare, we persistently expand into new markets, strengthen our presence in emerging segments, and drive growth through a multi-engine business approach.

We provide a full range of operational services in the public sector. In addition to basic property services, we also offer special services for different public projects. We continue to enhance our business capabilities in the areas of government and public property services through professionalism, internationalisation, innovation and technology.

Signature projects: Guangzhou Metro Line 1 and Guangfo Line (廣州地鐵一號線和廣佛綫), Shenzhen Court of International Arbitration (深圳國際仲裁院), Chongqing Main City Park (重慶主城公園), Beijing Dongba Chaoyang Cultural Palace (北京東壩朝陽文化宮), Beijing GoBroad Hospital (北京高博醫院), Hangzhou Heyunjia Hospital (杭州禾芸嘉醫院)

(3) Residential Property Services

Relying on over two decades of real estate development experience, Excellence Group has developed a model of high-end residential property services in many cities across China, including preintervention and takeover acceptance, decoration management, customer management, environmental management, equipment and facilities maintenance, fire management and other systematic services. The Group spearheaded to introduce international service standards and launched “Five-heart” excellent butler (五心“悅”管家) services and “4INS Good Life” (4INS 美好生活) services to reshape the physical space, cultural space and digital space of the community regarding the customers’ satisfaction as the origin and centre. We provide individuals and families with safe, convenient, comfortable and joyful living experience.

Signature projects: Shenzhen Cote d’Azur (深圳蔚藍海岸), Shenzhen Excellence Victoria Harbour (深圳卓越維港), Dongguan Yue Shan Hu Garden (東莞悅山湖花園), Shenzhen Queen’s Road (深圳皇后道), Shenzhen Baiyi Mansion (深圳柏奕府), Shenzhen Heyi Mansion (深圳和奕府)

2. *Value-added Services*

The Group has continued to provide customers with personalised, customised, digitalised and innovative value-added services, explored the multidimensional needs of customers, and realised the change from a single service to diversified services, with development focuses on assets services, Zhuopin Business, construction and mechanical and electrical services, and other types of professional value-added services.

(1) Asset Services

The Group provides preliminary property consulting services, and offers reasonable suggestions on pre-intervention in project planning and design, construction management and acceptance handover so as to save construction costs, meet customer expectations regarding the use of functions, improve post-property operation efficiency, and avoid operational risks.

In addition, we provide customers with professional leasing and second-hand housing asset management services, and offer whole-process leasing value-added services to ensure maximised property occupancy rates and asset investment returns.

(2) Zhuopin Business Services

“Zhuopin Business”, a high-end service brand of the Group, integrates “Internet+”, “self-built supply chain” and “concierge high-end services” capabilities to provide one-stop business office supporting services for high-tech and Fortune 500 companies with the B to B for C model, mainly including high-end business services, corporate value-added services, supply chain agency services, enterprise digital empowerment and other various solutions.

(3) Construction and Mechanical and Electrical Services

The Group’s mechanical and electrical business delivers integrated solutions comprising “hardware + software + platform + services”. Committed to further expansion in the green and smart mechanical and electrical sector, it fosters a collaborative ecosystem for government and corporate partners, achieves structured development across multiple business segments, and drives sustainable growth through technological advancement and green initiatives.

3. *Mergers and Acquisitions (“M&A”)*

In line with the development strategy of the national key regions and city positioning, the Group has actively maintained a continuous focus on the M&A business in a prudent manner, integrating the government’s resource advantages and fully leveraging on its strengths in the commercial property sector to jointly develop the market.

We have actively reviewed and enhanced our existing development by promoting our presence in first-tier and emerging first-tier cities and tapping into various arenas to help drive market development, thereby improving the competitive industry chain and building our competitive advantages in the industry.

4. *Asset Management*

The Group has obtained a portfolio of high-quality assets located in core cities through the relevant transactions covered in the previously announced connected transactions and continuing connected transactions, including various property types such as office properties, parking spaces, storage rooms, apartments, shops and residential units.

For the above assets, the Group has established an operational mechanism featuring classified management and tailored strategies for each individual property. For assets held for sale, relying on its strengths in property management network and customer resources, and taking into account market conditions in the locations of respective projects, the Group formulates differentiated sale plans and conducts sales in an orderly manner to owners and tenants of its managed properties as well as third-party buyers in the market, so as to achieve timely asset disposal and cash collection. For income-generating assets held for operation, leveraging its professional property operation capabilities, the Group continuously enhances operational efficiency and income levels of assets through refined management, ensuring stable cash flow contribution.

The Group will continue to prudently manage the aforementioned asset portfolio. On the premise of safeguarding asset security, it will actively pursue the dual objectives of accelerating sale progress and improving operational returns, so as to protect the long-term value of shareholders.

(II) Performance Overview

Looking back on the first half of 2026, the Group has firmly executed its “three-pillar strategic development” and “core capability building” initiatives. Overall operating performance remained stable and positive, with budget targets achieved. In particular, third-party business maintained steady growth, the competitive edge in the commercial property sector continued to strengthen, the structure of value-added services was continuously optimised, and a sustainable development trajectory was sustained.

Principal Business: In-depth Development and Structural Optimisation

By deeply cultivating strategic clients and building benchmark projects, the Company connects upstream and downstream of key clients as well as potential clients, and continuously maintains its leading advantage in the commercial property track. Through in-depth layout and consistent accumulation of strength, the Company consolidates its advantages in the core sector, while gradually establishing a first-mover advantage in fields such as high technology, internet and new quality productive forces.

Value-added Business: Continuous Enhancement of Productisation Capabilities

By enhancing productisation capabilities and building a self-owned supply chain service platform, we cover the full value cycle of user demand scenarios, effectively improving customer experience and core operational capabilities in productisation. In the meantime, we have developed a full-process entrusted operation model for corporate value-added services. Through resource integration, personalised customisation, business accompaniment, and middle-office support, we have established a diversified joint operation and expansion model for value-added services.

Core Competence Development: Digital Transformation and Organisation-Driven Initiatives

In terms of core capability building, we have enhanced internal and external digital operational capabilities to improve business decision-making efficiency and support business expansion. At the same time, we have focused on cultivating key talents in the business. Through the dual drivers of incentive mechanisms and management culture, we have facilitated organic business growth and fortified our competitive moat.

During the Reporting Period, among the Group’s revenue, commercial properties accounted for 64.5%, public and industrial properties accounted for 9.7%, residential properties accounted for 17.6% and value-added services accounted for 8.2%.

1. Steady growth in business scale

In the first half of 2026, the Company achieved high-quality growth in its third-party business. Guided by the “1+1+X” strategy, we have deepened our presence in two core advantageous regions, the Greater Bay Area and the Yangtze River Delta, with a strategic focus on first-tier, new first-tier and other high-value cities, achieving balanced development across key national regions. Among the total gross floor area under management, first-tier and new first-tier cities including Beijing, Shanghai, Shenzhen, Guangzhou, Chengdu, Hangzhou and Chongqing accounted for 75.3%, while the two core economic zones, namely the Greater Bay Area and the Yangtze River Delta, accounted for 69.6%. During the Reporting Period, the Group’s contracted GFA amounted to approximately 89.10 million sq.m., representing an increase of approximately 8.0% as compared with the corresponding period of 2025, while GFA under management amounted to approximately 83.09 million sq.m., representing an increase of approximately 11.9% as compared with the corresponding period of 2025, of which third-party GFA under management accounted for 65.1%.

The following table sets forth the changes in GFA under management for the six months ended 30 June 2026 and 2025, respectively:

	Six months ended 30 June	
	2026	2025
	<i>sq.m.’000</i>	<i>sq.m.’000</i>
At the beginning of the period	78,266	72,200
New engagements	9,531	4,524
Terminations	(4,704)	(2,440)
At the end of the period	<u>83,093</u>	<u>74,284</u>

2. Steady expansion of the core business segment

In the first half of 2026, the Group continued to leverage its core competitive strengths in commercial property services, with its main business segment serving as flagship drivers. It also maintained strong momentum in expanding third-party business, preserving business growth resilience. Among leading domestic high-tech and internet companies, our client coverage rate has exceeded 50%. Combined with our excellent service quality and customised service experience, our presence in this sector continues to expand further. In addition, we have gradually established a first-mover advantage in areas such as high-end manufacturing, which are core tracks of the new quality productive forces, laying a solid foundation for our development in market-oriented specialised sectors.

In terms of specific performance, the Group has continued to deepen its presence in third-party sectors such as the internet, high-tech and high-end manufacturing. On the one hand, cooperation with existing quality clients has been consistently strengthened. During the period, we successfully won bids for an internet company headquarters park project, a national-level laboratory project and a semiconductor manufacturing park project, further consolidating our achievements in these sectors. On the other hand, benefiting from our service reputation and business development capabilities, our client network has continued to expand. During the period, we newly won the Ant Group project in Hangzhou, marking another important breakthrough in the internet industry leader segment, while also establishing first-time collaborations with clients such as AGIBOT and Arm China.

At the same time, leveraging our client diversification strategy, the Group continued to achieve breakthroughs in emerging sectors such as pharmaceuticals and biotechnology, gaming and consumer goods during the first half of the year. In the pharmaceutical and biotechnology sector, we established first-time partnerships with industry leaders such as Kangtai and United Imaging. In the gaming sector, we successively established collaborations with Shanghai Papergames and Xiamen Jizhi Games. In the consumer goods sector, our client portfolio includes quality clients such as Guangzhou MINISO. Our diversification strategy has led to a flourishing presence across new and emerging industry sectors, with a multi-sector coordinated layout and a more comprehensive business portfolio.

During the Reporting Period, the total contract value of newly secured third-party property management contracts amounted to RMB1,168.36 million, with an annualised contract value of RMB398.14 million, further validating our market competitiveness.

During the Reporting Period, revenue from commercial property services accounted for 70.4% of basic property management service revenue, while revenue from third-party basic property management services accounted for 64.0% of basic property management service revenue.

In terms of residential property services, we primarily provide services to various high-end urban development projects under Excellence Group. During the Reporting Period, revenue from residential property services decreased by 0.1% as compared with the corresponding period of 2025.

	As of 30 June 2026				As of 30 June 2025			
	GFA under management		Revenue		GFA under management		Revenue	
	(sq.m.'000)	(%)	(RMB'000)	(%)	(sq.m.'000)	(%)	(RMB'000)	(%)
Commercial properties	37,763	45.5	1,356,110	70.4	32,195	43.3	1,229,380	68.3
– Excellence Real Estate Group	3,050	3.7	325,626	16.9	3,050	4.1	339,252	18.8
– Third-party property developers	34,713	41.8	1,030,484	53.5	29,145	39.2	890,128	49.5
Public and industrial properties	16,050	19.3	202,858	10.5	14,290	19.3	201,016	11.2
Residential properties	29,280	35.2	368,956	19.1	27,799	37.4	369,386	20.5
Total	83,093	100.0	1,927,924	100.0	74,284	100.0	1,799,782	100.0

3. In-depth development of strategic clients

In the first half of 2026, the Group achieved the business objectives of “high performance, maintaining existing business and expanding new business” in strategic client partnerships. During the Reporting Period, revenue from strategic clients amounted to RMB625.32 million, representing a strong increase of 23.1% as compared with the corresponding period of 2025, reflecting high recognition from industry-leading clients and a solid and stable fundamental base.

The Group adheres to a strategic client deepening strategy. By deepening the strategic client development mechanism, we have continuously strengthened the three core pillars of “quality first – talent assurance – performance-driven”, steadily enhancing service quality and brand value. Performance among our leading clients continues to lead the market, and our partnerships with strategic clients have been consistently deepened, thereby enabling continuous business referrals from benchmark projects. At the same time, leveraging our solid capabilities in strategic business, we have successfully commenced operations at multiple high-end manufacturing parks, establishing a strong reputation for quality assurance and high-quality delivery. In recent years, the results of our strategic client deepening strategy have become increasingly evident. Over the past three years, the Group has maintained a strategic client contract retention rate of nearly 100%, reflecting stable partnerships and high client recognition.

Looking ahead, the Group will continue to focus on client needs, strengthen operational capabilities, introduce key talents and cultivate professional talent pipelines, so as to achieve a self-sustaining management cycle for key talents and core business capabilities, and further enhance client satisfaction, with a view to establishing long-term, mutually trusting and win-win strategic partnerships and driving business expansion vertically. Through market outreach, we aim to attract more quality clients, facilitate business growth and build a sustainable business engine.

4. Continuous construction of development advantages in new business segments

Adhering to the philosophy of “strength in partnership and complementary advantages”, the Group has continuously enhanced its development advantages in new business segments through strategic mergers, acquisitions and diversified joint ventures, so as to steadily foster a second growth curve.

During the Reporting Period, the Group’s integrated “investment promotion – operation – strategy” capability achieved another successful implementation in the existing asset operation sector, namely securing the Linli Baiwang project. This project adopts a model combining village apartments with community operations, integrating six key aspects across all business formats – investment promotion, operation, activities, design, marketing and corporate employee dormitories. The Group provided full-chain lifecycle services including pre-opening consultancy, operational planning, butler services, and marketing and design services, further pioneering a new pathway for existing asset operations and accelerating the transition of the second growth curve from exploration to implementation.

Leveraging its full-chain “commercial management + property management” services, the Group continues to enhance asset value, improving operational efficiency and returns through professional management, thereby establishing differentiated competitive barriers. Looking ahead, the Group will continue to capitalise on its resource synergy advantages, fully explore advantageous regions, and drive the second growth curve towards a complete commercial closed-loop, injecting new momentum into its sustainable development.

5. Diversified development of value-added services and strategic alignment with core business growth

During the first half of 2026, the Company pro-actively optimized the business structure of its value-added services, and continued to pursue diversified development while consolidating its core products.

Leveraging a unified value-added service platform, the Group's high-end commercial brand "Zhuopin Business" focuses on meeting clients' diversified needs, integrates multi-format service scenarios, and provides comprehensive B+C full-scenario solutions and customised services. The platform has continuously enhanced its capabilities in precise customer group marketing and targeted marketing. Supported by strong on-site delivery capacity and a comprehensive after-sales support system, it delivers a more efficient and convenient experience to clients. In the first half of 2026, guided by the strategy of customisation, digitalisation and high-stickiness product development, the Group deeply integrated with the business needs of strategic clients, strongly driving the growth of its related value-added services.

At the same time, our high-end business services have transcended traditional reception boundaries, extending our professional capabilities to multi-dimensional scenarios including international reception events, national-level conference support, top-tier conference events, exhibitions and live streaming. The scope of our high-end business service capabilities has been further expanded to support client development.

ANALYSIS OF CORE COMPETITIVENESS

(I) High-quality Brand Image

The Group provides services to a number of Fortune 500 companies, including numerous renowned high-tech enterprises, internet companies and financial institutions. Leveraging its industry-leading comprehensive strengths and service standards, the Group has been honoured as an “Outstanding Enterprise” by the Shenzhen Property Management Industry Association for 2025.

The Group has been recognised by the China Index Academy as one of the “2026 China Top 100 Property Service Enterprises (TOP11)”, “2026 China Top 10 Property Service Enterprises by Operating Performance”, “2026 China Outstanding Enterprise in Office Property Management” and “2026 China Outstanding Enterprise in IFM Services”. It has been ranked by the Guandian Index Research Institute as one of the “2026 Outstanding Property Service Enterprises by Service Capability (TOP20)” and “2026 Influential Property Service Enterprises (TOP17)”. The Group was also named a “2025 China Property Management Influential Enterprise of the Year” by China Real Estate Business.

(II) Comprehensive Service Standards

Drawing on years of successful experience in the high-end business property services sector, the Group has developed a comprehensive operational model for integrated business property services. It has successively obtained certifications for four management systems, namely the ISO 9001 Quality Management System, ISO 14001 Environmental Management System, ISO 45001 Occupational Health and Safety Management System, and ISO 50001 Energy Management System, as well as over ten supporting management system certifications, including the ISO 41001 Facility Management System and ISO/IEC 27001 Information Security Management System. Standardised operating procedures, robust management systems and deep management expertise provide strong support and assurance for daily project operations and the onboarding of new projects.

The Group continues to introduce advanced service concepts and keep abreast with international standards. We have become a platinum member of the Building Owners and Managers Association International (BOMA), a member of the International Facility Management Association (IFMA) and a member of the Royal Institution of Chartered Surveyors (RICS).

(III) Strategic Talent Cultivation and Development

Amid steady business expansion, the Group has continued to enhance its talent development system, progressively building a multi-tiered talent pipeline covering management, professional and technical skills, and establishing an internal talent supply chain to support in-depth business development with a solid talent base.

In terms of talent development framework, the Group has established six key talent programmes: “New Wing, Potential Talent, Outstanding Talent, Excel, General and Navigator”. These programmes focus on developing management trainees as emerging talent through the “New Wing” initiative, while continuously cultivating project operation talents and professional management talents through programmes such as “General” and “Excel”. During the first half of 2026, training camps for facility managers, project managers and management trainees were systematically launched, further deepening the full-cycle talent development process. During the Reporting Period, the Group achieved an internal supply rate of 40% for key positions, meaning that 4 out of every 10 key position vacancies were filled through internal promotions, providing solid talent assurance for the expansion of strategic projects.

In addition, during the first half of 2026, to better align with the needs of national strategic development, we further strengthened our blended learning model combining live streaming, micro-courses, cloud academy and offline training camps, expanding the coverage of talent development and enabling more key position employees and frontline staff to participate in talent development programmes, achieving flexible and systematic curriculum learning. Furthermore, we have continued to intensify efforts in recruiting and developing professional and technical talents in specialised areas such as high-end manufacturing and cleanroom COE (Centre of Excellence) capabilities. During the Reporting Period, the Company has achieved training coverage for over 1,000 key position talents. Looking ahead, we will further promote the deep integration of knowledge and practice to address industry changes and challenges.

At the same time, the Company has consistently upheld its management culture, with business support as the cornerstone, promoting the three cultural value pillars of “Execution, Collaboration and Motivation”. This approach not only provides a long-term and stable foundation for talent development, but also stimulates employee proactiveness and creativity, laying a solid groundwork for the Company’s sustainable development.

(IV) Continuous Enhancement of Core Professional Capabilities

The Group has prioritised core professional capability development, continuing to drive digital transformation. Internally, we have strengthened the data infrastructure; externally, we have elevated service standards, accelerating the digital productisation and the deployment of human-machine collaboration. At the same time, we have continuously enriched our multi-scenario solution capabilities to reinforce our core competitive barriers.

During the Reporting Period, the Company conducted scaled pilot programmes for human-machine collaboration at benchmark projects, exploring a new paradigm of technology-enabled services. Through deep integration of human-machine collaboration, we have driven a transformation in service delivery models from traditional labour-driven approaches to intelligent collaboration, achieving dual enhancements in service quality and operational efficiency. On this basis, we have consolidated our pilot experience into the “Human-Machine Collaboration Operating Standards”, institutionalising trial experience into a replicable and transferable standard system, enabling us to offer integrated human-machine collaboration comprehensive solutions covering equipment deployment, personnel coordination and operational monitoring. Looking ahead, this capability will continue to be validated and upgraded, further enriching the Group’s multi-scenario solution matrix.

In addition, the Company has continued to deepen professional capability development, consistently accumulating solution capabilities in the following scenarios:

- **High-end Manufacturing Solutions:** Establishing standardised service processes and professional delivery teams tailored to the specialised environmental requirements of industries such as semiconductors and precision manufacturing.
- **Cleanroom Solutions:** Providing cleanroom operation and maintenance management services that meet international standards for industries such as biopharmaceuticals and electronics manufacturing.
- **Smart Park Solutions:** Leveraging the Internet of Things and advanced technologies to build a full lifecycle facility management system.

These professional modules have now formed replicable and scalable service standards, effectively enabling the Company to establish a differentiated competitive advantage in specialised market segments.

OUTLOOK

(I) Strategic Planning

Looking ahead, the Group will continue to focus on the vision of being “a leading commercial real estate service operator in China”, adhere to the strategic direction of “combining the three strategic pillars with the construction of core professional capabilities”, solidify its foundation through “team building, business building and competence building”, and support growth with its two main drivers of “value distribution and culture management” to facilitate business development, aiming to exert continuous efforts in developing our main businesses and value-added services.

(II) Business Development Strategy

The Company adheres to long-term strategic planning, upholds the management idea of steady growth, actively promotes independent market development, and continues to strengthen the advantages of business segments, advantages of the extended development and sustainable development capability. The Company will enhance its organisational efficiency through internal capability drive and external business drive, aiming to form a strong synergy, continue to focus on the Group’s medium- and long-term strategic development objectives, champion sustainable development, and build business resilience and driving growth.

1. Focus on growth

The Group will insist on its strategy of pursuing joint development through multiple business momentum, fully leverage on the synergies of internal and external resources, adhere to the business strategy of “three strategic pillars” and core competency building, and jointly promote business development.

1) *Cultivation of strategic customers*

With respect to the core business, the Company will continue to cultivate strategic customers, deepen the cooperation mechanism, and drive vertical business development. Leveraging its strong market reputation and benchmark effect, the Company will promote continuous business growth and consolidate its leading position in the commercial property market. At the same time, the Company will fully activate its marketing drive, actively explore multi-channel resources, and deeply cultivate strategic key urban markets. We will expand business channels and enhance market share through multi-layered and multi-faceted approaches, expand our leading position in sub-segments, continuously improve professional capabilities, and consistently strengthen competitive advantages through high-quality services and reputation building.

2) *Diversified development of value-added services*

For the value-added services, leveraging its existing integrated value-added service platform, the Company will continue to optimise and refine its service processes, and achieve the restructuring from functions to scenarios through customised service solutions. This will enable the Company to precisely satisfy the needs of multi-industry scenarios, achieve the last mile of the business development to provide customers with a more precise and efficient service experience. Furthermore, the Company will expand the model of entrusted business operation to enhance operational capabilities, thus realising sustainable value enhancement.

3) *Breakthrough in performance of new businesses*

With respect to new businesses, the Company will keep abreast with industry trends, leverage our professional operational experience and capabilities, integrate quality resources, and construct diversified business segments in public construction, new consumption, and commercial retail, among others. We will also focus on quality assets in first-tier and emerging first-tier cities, and execute precise deployment to enhance market risk resistance capacity. With continuous advancement of the new integrated commercial management business model, the Company will achieve more rapid and more steady development in new businesses.

2. *Core competency building*

Digital transformation, professional capability enhancement, and organisation and talent development are key components of the Company's core capability building. By deepening digital capabilities, refining the talent management system, and continuously building COE (Centre of Excellence) professional capabilities, we aim to establish a unique competitive advantage and lay a solid foundation for the Company's long-term development.

Operational Efficiency Enhancement: The Company is committed to continuously optimising internal system integration and collaboration, breaking down information silos, ensuring data interoperability and sharing, optimising resource allocation, improving work efficiency and reducing operating costs. Internally, we leverage data governance and AI applications to enhance management and operational efficiency; externally, we drive the implementation of lean management through business model innovation, achieving value co-creation with clients.

COE Professional Capability Enhancement: We continue to expand the scale of professional teams and service coverage in vertical sectors such as high-end manufacturing solutions and cleanroom solutions, enhancing client stickiness and market share through standardised professional delivery processes.

Looking ahead, the Company will remain committed to creating value for clients and consistently uphold a client-centric approach. Through deep cultivation of organisational capability building, continuous enhancement of COE professional capabilities and full-cycle talent ecosystem development, we will remain focused on value creation, act with diligence and determination, consolidate momentum for innovation, pursue excellence and continuously surpass ourselves.

II. FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2026, the revenue of the Group amounted to RMB2,099.94 million (the corresponding period in 2025: RMB1,996.18 million), representing an increase of 5.2% as compared with the corresponding period of last year.

The revenue of the Group was derived from two main businesses: (i) basic property management services; and (ii) value-added services.

	For the six months ended 30 June					
	2026		2025		Change	
	Amount (RMB'000)	(%)	Amount (RMB'000)	(%)	Amount (RMB'000)	Percentage
Revenue						
Property management services	1,927,924	91.8	1,799,782	90.2	128,142	7.1
Value-added services*	172,020	8.2	196,401	9.8	(24,381)	(12.4)
Total revenue	2,099,944	100.0	1,996,183	100.0	103,761	5.2

* Revenue from value-added services includes income from sales of property

During the Reporting Period, the revenue from basic property management services was RMB1,927.92 million (the corresponding period in 2025: RMB1,799.78 million), representing an increase of 7.1% as compared with the corresponding period of last year.

During the Reporting Period, the revenue from value-added services decreased by 12.4% to RMB172.02 million from RMB196.40 million in the corresponding period in 2025, accounting for approximately 8.2% (the corresponding period in 2025: 9.8%) of the total revenue.

The decline in revenue from value-added service was primarily attributable to the decrease in revenue from enterprise value-added services and supply chain agency operation services. Among which, revenue from the sales of properties amounted to RMB19.21 million (the corresponding period in 2025: RMB12.12 million).

Cost of Sales

The Group's cost of sales mainly consisted of staff costs, subcontracting costs, cleaning costs, repair and maintenance costs, utility costs, carpark expenses, office expenses, depreciation and amortisation, rental expenses and others.

During the Reporting Period, the Group's cost of sales amounted to RMB1,708.62 million (the corresponding period in 2025: RMB1,635.77 million), representing an increase of 4.5% compared with the corresponding period in 2025, which was primarily due to the increase in staff costs and subcontracting costs.

Gross Profit and Gross Profit Margin

The table below sets forth a breakdown of the gross profit and gross profit margin of the Group by business line for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	Gross profit	Gross profit	Gross profit	Gross profit
	(RMB'000)	margin (%)	(RMB'000)	margin (%)
Basic Property				
Management Services	338,486	17.6	314,775	17.5
Value-added Services	52,834	30.7	45,634	23.2
Total	391,320	18.6	360,409	18.1

During the Reporting Period, the Group's gross profit was RMB391.32 million, representing an increase of 8.6% from RMB360.41 million for the corresponding period in 2025. The gross profit margin increased to 18.6% in the Reporting Period from 18.1% for the corresponding period in 2025, which remained at a good level.

The gross profit margin of basic property management services was 17.6% (the corresponding period in 2025: 17.5%), representing an increase of 0.1 percentage point from the corresponding period of last year, mainly due to the Group's vigorous efforts in cost reduction and efficiency enhancement, which led to an improvement in gross profit margin from the residential and office building segments. The gross profit margin of value-added services was 30.7% (the corresponding period in 2025: 23.2%), representing an increase of 7.5 percentage points from the corresponding period of last year, mainly attributable to the Group's continued focus on high-margin and high-return projects during the Reporting Period, while progressively exiting value-added businesses with high operating risks, low margins and weak collections.

Other Revenue

The Group's other revenue mainly consisted of interest income and government grants.

During the Reporting Period, other revenue was RMB5.65 million (the corresponding period in 2025: RMB5.31 million), representing an increase of 6.4% from the corresponding period of last year, mainly attributable to the increase in government grants received during the Reporting Period.

Other Net (Loss)/Gain

The Group's other net (loss)/gain mainly consisted of gains and losses on exchange, fair value gain on financial assets measured at fair value through profit or loss as well as losses on disposal of assets. During the Reporting Period, other net loss amounted to RMB3.96 million (corresponding period of 2025: other net gain of RMB2.37 million), representing a decrease of 267.1% compared with the same period last year, primarily attributable to loss of RMB3.94 million arising from the disposal of a 32% equity interest in Guizhou Zaixing Business Service Co., Ltd. (貴州在行商務服務有限公司, “**Guizhou Zaixing**”) by the Group during the Reporting Period.

Impairment Losses

During the Reporting Period, impairment losses on receivables, contract assets and financial guarantee issued were RMB113.24 million (the corresponding period in 2025: RMB31.08 million), which was mainly due to (1) a credit impairment loss of RMB87.55 million recognized by the Company on trade receivables during the Reporting Period; and (2) a credit impairment loss of RMB16.94 million recognized by the Company on the financial guarantee liabilities of Beijing Global during the Reporting Period.

Selling and Marketing Expenses

During the Reporting Period, the selling and marketing expenses amounted to RMB19.34 million (the corresponding period in 2025: RMB24.22 million), representing a decrease of 20.1% from the corresponding period of last year.

Administrative Expenses

During the Reporting Period, administrative expenses amounted to RMB112.09 million (the corresponding period in 2025: RMB104.86 million), representing an increase of 6.9% from the corresponding period of last year, which was mainly attributable to the increase in staff costs and office expenses.

Finance Costs

During the Reporting Period, finance costs amounted to RMB0.17 million (the corresponding period in 2025: RMB0.23 million), representing a decrease of 26.1% from the corresponding period of last year.

Share of Profits Less Losses of Joint Ventures

During the Reporting Period, the share of profits of joint ventures amounted to RMB1.64 million (the corresponding period in 2025: RMB1.59 million), representing an increase of 3.1% from the corresponding period of last year.

Share of Profits Less Losses of Associates

During the Reporting Period, the share of profits of associates amounted to RMB(0.64) million (the corresponding period in 2025: RMB2.10 million), representing a decrease of 130.5% from the corresponding period of last year, mainly due to the Group's disposal of 32% of the equity interest in Guizhou Zaixing during the Reporting Period.

Income Tax Expense

During the Reporting Period, income tax expense was RMB37.89 million (the corresponding period in 2025: RMB53.78 million), representing a decrease of 29.5% from the corresponding period of last year, mainly attributable to the deferred tax effects arising from temporary differences during the Reporting Period.

Profit for the Period

During the Reporting Period, the Group's net profit amounted to RMB111.28 million (the corresponding period in 2025: RMB162.31 million), representing a decrease of 31.4% from the corresponding period of last year, and the net profit margin was 5.3% (the corresponding period in 2025: 8.1%), primarily attributable to the impairment losses recognized by the Group on trade and other receivables and financial guarantee issued during the Reporting Period.

Property, Plant and Equipment

The property, plant and equipment of the Group mainly consisted of leasehold improvement, right-of-use assets, office equipment and furniture, machinery equipment and other fixed assets. As of 30 June 2026, the Group's net book value of property, plant and equipment amounted to RMB41.25 million, representing a decrease of RMB4.71 million from RMB45.96 million as of 31 December 2025.

Right-of-use Assets

As at 30 June 2026, the Group's right-of-use assets amounted to RMB700.21 million, representing a decrease of RMB10.82 million compared with RMB711.03 million as at 31 December 2025, mainly due to the amortisation of right-of-use assets during the Reporting Period.

Intangible Assets

The Group's intangible assets mainly consisted of customer relationships and uncompleted property management contracts arising from corporate mergers and acquisitions. As at 30 June 2026, the intangible assets of the Group amounted to RMB237.11 million, representing a decrease of RMB14.85 million as compared to RMB251.96 million as at 31 December 2025, which was mainly attributable to the amortisation arising from the property management contracts recognised in acquired companies during the Reporting Period.

Goodwill

As at 30 June 2026, the Group's goodwill amounted to RMB204.29 million (31 December 2025: RMB204.29 million).

The Group's goodwill was mainly related to the acquisitions of the equity interests in Wuhan Huanmao Property Management Co., Ltd., Henan Huangjin Property Management Co., Ltd., Beijing Global and Shenzhen Xingyi Investment Co., Ltd. As of 30 June 2026, the management was not aware of any significant risk of impairment of goodwill.

Interests in Associates

As at 30 June 2026, the Group's interests in associates amounted to RMB19.14 million, representing a decrease of RMB34.83 million compared with RMB53.97 million as at 31 December 2025, primarily attributable to the disposal of a 32% equity interest in Guizhou Zaixing by the Group during the Reporting Period.

Interests in Joint Ventures

As at 30 June 2026, the Group's interests in joint ventures amounted to RMB164.97 million (31 December 2025: RMB163.33 million).

Inventories

The Group's inventories increased by RMB13.97 million from RMB591.99 million as at 31 December 2025 to RMB605.96 million as at 30 June 2026, primarily attributable to the Group's acquisition, through the disclosed connected transaction, of a batch of car parking spaces and apartments located in core cities.

As at 30 June 2026, assets with a carrying amount of RMB50.42 million (31 December 2025: RMB50.42 million) included in the Group's inventories were subject to restrictions. Pursuant to the relevant asset purchase agreements, if the target assets are seized, frozen or subject to enforcement as a result of the vendors' own reasons, such that the purchaser is prevented from disposing of the assets or otherwise prejudiced, the vendors shall indemnify the purchaser in cash or other assets at an amount equal to the fair value of the target assets. The Group is actively in negotiation with the vendor to procure the release of the aforesaid assets from encumbrance, or to effect the return or replacement of such assets with equivalent assets pursuant to the contract, with a view to resolving the inventory restriction to the fullest extent possible. Should any solution subsequently agreed between the Company and the vendor involve compliance requirements under the Listing Rules, including but not limited to the timely publication of relevant announcements, the Company will strictly adhere to such applicable compliance requirements.

Financial Assets Measured at Fair Value through Profit or Loss

As at 30 June 2026, the Group's financial assets measured at fair value through profit or loss amounted to RMB77.85 million, representing a decrease of RMB51.29 million as compared to RMB129.14 million as at 31 December 2025.

Trade and Other Receivables

As of 30 June 2026, the Group's net trade and other receivables (comprising current and non-current portions) amounted to approximately RMB2,061.59 million, representing an increase of approximately RMB138.65 million from approximately RMB1,922.94 million as of 31 December 2025, mainly due to the increase in net trade receivables resulting from the growth in the scale of the Group's business.

As at 30 June 2026, the Group's gross trade amounts due from related parties amounted to approximately RMB777.68 million (31 December 2025: RMB780.98 million). The Group will actively communicate and negotiate with the related parties to facilitate the recovery of the aforesaid receivables.

Trade and Bills and Other Payables

As of 30 June 2026, the Group's trade and bills and other payables amounted to RMB1,154.64 million, representing an increase of RMB20.08 million from approximately RMB1,134.56 million as of 31 December 2025.

Financial Guarantee Issued

Financial guarantee issued represents the expected payments to reimburse the loan holder for a credit loss that it incurs less any amount that the Group expects to receive from the realisation of pledged assets.

As of 30 June 2026, the financial guarantee issued by the Group was RMB139.76 million (as of 31 December 2025: RMB122.83 million), mainly due to the fact that Beijing Global, a non-wholly-owned subsidiary of the Company, had provided a financial guarantee in respect of the seller's borrowings in the principal amount of RMB183.43 million. In 2023, Beijing Global received a civil complaint, a notice of response to the action, and other documents from the Beijing Financial Court regarding an outstanding loan dispute. Further details are set out in the Company's announcements dated 12 July 2023 and 24 August 2025.

Pursuant to the civil judgment received by the Company in August 2025 in respect of Beijing Global being listed as a defendant (the "**Judgment**"), and based on the Group's latest investigations together with consultation with its legal counsel team, it is considered likely at present that the applicant for the enforcement proceedings under the Judgment (being the plaintiff in the Judgment) will target Beijing Global as the key party for recovery of the joint and several compensation liabilities under the Judgment. The Company is actively engaging in constructive communications with relevant parties to seek solutions including, without limitation, debt settlement by way of assets or debt restructuring, so as to protect the interests of the Company and its shareholders to the maximum extent.

The Group assessed that the credit risk of financial guarantee issued increased as a result of estimated additional future interest to be incurred upon settlement.

Lease Liabilities

During the Reporting Period, additional lease liabilities were recognised according to new leasing standards. The lease liabilities payable within one year of RMB3.48 million were recognised in current liabilities, and the lease liabilities payable over one year of RMB0.76 million were recognised in long-term lease liabilities.

Contract Liabilities

Our contract liabilities mainly represented prepayments from customers of the Group's commercial operation services and residential property management services. As of 30 June 2026, the Group's contract liabilities amounted to approximately RMB213.25 million, representing an increase of approximately RMB24.88 million from RMB188.37 million as of 31 December 2025.

Asset-liability Ratio

The asset-liability ratio was calculated as the total liabilities divided by total assets as of the same date. As of 30 June 2026, the Group's asset-liability ratio was 29.9% (the asset-liability ratio as of 31 December 2025 was 29.7%).

Contingencies

On 9 November 2022, Shenzhen Excellence Property Management Co., Ltd. ("**Excellence Property Management**"), an indirect wholly-owned subsidiary of the Company, has been served with a notice of arbitration issued by the Shanghai Arbitration Commission and the other relevant documents in relation to a dispute in respect of acquisition of 40% equity interest in a project company (the "**Project Company**") which is currently 60% held by a disposed subsidiary of the Group (the "**Disposed Subsidiary**") (the "**Case I**"), involving the Disposed Subsidiary and Excellence Property Management, as the respondents (the "**Respondents**"), and the beneficial owners of the 40% equity interest in the Project Company, as the applicants (the "**Applicants**").

The applicants alleged that the Disposed Subsidiary, as an agent of Excellence Property Management, failed to acquire all the 40% equity interest in the Project Company owned by the applicants and claimed against the Disposed Subsidiary and Excellence Property Management to:

- (i) pay the applicants RMB20.8 million, being damages for the breach of the agreement;
- (ii) acquire all the equity interest in the Project Company owned by the applicants at a cash consideration calculated based on 40% of the audited net profit of the Project Company for the year ended 31 December 2020, multiplied by 12;
- (iii) other costs.

For details of Case I, please refer to the Company's announcement dated 7 December 2022.

On 21 July 2023, the Applicants further submitted a statement of arbitration claim to the Shanghai Arbitration Commission (the "**Case II**"), specifying and refining the claims in Case I, and accordingly put forward the following claims against the Respondents: (i) an order for payment of the remaining consideration for the 40% equity interest in the Project Company in the amount of approximately RMB229.60 million; (ii) an order for payment of liquidated damages of RMB13.20 million ; and (iii) other costs.

On 30 December 2025, the Shanghai Arbitration Commission issued an arbitral award in respect of the Case I, dismissing all of the Applicants' arbitration claims and ruling that the arbitration fee of RMB0.98 million shall be borne by the Applicants. The arbitral tribunal of the Shanghai Arbitration Commission held that the relevant documents entered into among the parties in respect of the acquisition of the remaining 40% equity interest in the Project Company constituted an agreement to negotiate only, and that the specific terms of the acquisition remained subject to further negotiation among the parties. Accordingly, the Applicants' claims for performance of the acquisition obligation and for payment of damages for breach of the agreement were not supported. The award is final and became legally effective on the date on which it was made.

On 29 July 2026, the Applicants filed an application with the Shanghai Arbitration Commission to withdraw the arbitration claim in Case II, and the Shanghai Arbitration Commission has granted such application.

Accordingly, the Group does not bear any compensation or acquisition obligation in respect of the above arbitration, and no provision in respect of the arbitration is required to be recognised as at the date of this announcement.

Liquidity, Reserves and Capital Structures

The Group maintained a good financial position during the Reporting Period. As of 30 June 2026, the Group's cash and equivalents amounted to RMB1,191.50 million, representing an increase of 7.9% from RMB1,104.73 million as of 31 December 2025, primarily attributable to the Group's constant focus on quality businesses with stronger collection capabilities, as well as the enhanced management of trade receivables.

As of 30 June 2026, the Group's total equity was RMB3,950.34 million, representing an increase of RMB109.39 million, or 2.8%, from RMB3,840.95 million as of 31 December 2025, which was mainly due to the profit realised during the period.

Exchange Rate Risks

The main business of the Group is conducted in China, and our business is mainly denominated in Renminbi. As at 30 June 2026, non-RMB assets were mainly cash and cash equivalents, which were denominated in Hong Kong dollars.

The management of the Group believes that the Group is not exposed to significant foreign exchange risks, and therefore no forward foreign exchange contracts have been entered into to hedge foreign exchange risks. The management will continue to monitor foreign exchange risks and adopt prudent measures to minimise foreign exchange risks.

As the net proceeds have been converted into Renminbi and the financial statements of the Group are presented in Renminbi, to facilitate understanding, information on the use of the proceeds will be presented in Renminbi from 2024 annual report and going forward.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the Reporting Period, the Company disposed of 32% of the equity interest in Guizhou Zaixing. Save as disclosed above, the Company did not hold any material investments, nor did it make any material acquisitions or disposals of subsidiaries, associates, or joint ventures.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2026, the Group had a total of 19,849 and 41 full-time employees (31 December 2025: 19,565 and 41) in the PRC and India, respectively. The Group provides its employees with competitive remuneration packages such as fees, salaries, allowances and benefits in kind, bonuses and contributions to pension schemes and social benefits. The Group contributes to social insurance such as medical insurance, work-related injury insurance, pension insurance, maternity insurance, unemployment insurance and housing provident fund for its employees.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, the Company and its subsidiaries did not purchase, sell or redeem any listed securities (including treasury shares) of the Company.

INTERIM DIVIDEND

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

SUFFICIENT PUBLIC FLOAT

Based on information publicly available to the Company and to the best of the Directors' knowledge, information and belief, the Company has maintained a sufficient public float as approved by the Stock Exchange and permitted under the Listing Rules throughout the period from the listing date up to the date of this announcement.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Listing Rules as its own corporate governance code.

During the Reporting Period, the Company has complied with all applicable code provisions under the CG Code. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions conducted by the Directors. Having made specific enquiries to all Directors, each of them has confirmed that he/she has complied with the required standards set out in the Model Code during the Reporting Period, and the Company is not aware of any incident of non-compliance by the Directors during the Reporting Period.

AUDIT COMMITTEE

The Board has established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with the Listing Rules and the CG Code. As at the date of this announcement, the Audit Committee consists of four members, including one non-executive Director, namely Ms. Guo Ying, and three independent non-executive Directors, namely Mr. Kam Chi Sing, Professor Cui Haitao and Ms. Liu Xiaolan. Mr. Kam Chi Sing is the chairman of the Audit Committee. The primary duties of the Audit Committee are to review and supervise the financial reporting system, risk management and internal control of the Company.

The Audit Committee has reviewed and approved with the senior management of the Company the accounting principles and practices adopted by the Group, as well as the review of the unaudited consolidated interim results for the Reporting Period.

REVIEW OF INTERIM RESULTS

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, Review of interim financial information performed by the independent auditor of the entity, issued by the HKICPA. KPMG’s independent review report to the Board is included in the Company’s interim report for the Reporting Period.

EVENTS AFTER THE REPORTING PERIOD

Subsequent to 30 June 2026 and up to the date of this announcement, no other material events were undertaken by the Group.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND DESPATCH OF INTERIM REPORT

This interim results announcement which contains all information required by the Listing Rules is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.excepm.com), and the Company's interim report for the Reporting Period will be despatched to the Shareholders who request for printed copies and published on the websites of the Stock Exchange and the Company in due course.

By order of the Board
**Excellence Commercial Property &
Facilities Management Group Limited**
Li Xiaoping
Chairman

Hong Kong, 27 August 2026

As at the date of this announcement, the executive Directors are Mr. Li Xiaoping and Mr. Yang Zhidong; the non-executive Directors are Ms. Guo Ying and Mr. Wang Yinhu; and the independent non-executive Directors are Professor Cui Haitao, Mr. Kam Chi Sing and Ms. Liu Xiaolan.