星盛商業
E-STAR COMMERCIAL

E-Star Commercial Management Company Limited
星盛商業管理股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6668)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

SUMMARY OF RESULTS

- Revenue of the Group for the six months ended 30 June 2026 amounted to approximately RMB280.5 million, representing a period-on-period decrease of approximately 1.3%.

- The Group's overall gross profit margin for the six months ended 30 June 2026 amounted to approximately 50.7%, representing a period-on-period decrease of approximately 1.6 percentage points.

- Profit attributable to the owners of the Company for the six months ended 30 June 2026 amounted to approximately RMB85.1 million, representing a period-on-period decrease of approximately 2.1%.

- The Board declared the payment of an interim dividend of HK8.0 cents per ordinary share for the six months ended 30 June 2026, dividend payout ratio was approximately 82.9%.

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board (the "**Board**") of directors (the "**Director(s)**") of E-Star Commercial Management Company Limited (the "**Company**" or "**E-Star Commercial**") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026, together with comparative figures for the corresponding period in 2025, as follows.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Six months ended 30 June	
		2026	2025
	NOTES	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Revenue	*3*	**280,481**	284,229
Cost of services		**(138,319)**	(135,548)
Gross profit		**142,162**	148,681
Other income		**14,555**	15,585
Other gains and losses		**(248)**	(1,131)
Impairment losses recognised under expected credit loss model, net		**(490)**	(707)
Selling expenses		**(7,022)**	(6,676)
Administrative expenses		**(22,985)**	(26,346)
Finance costs		**(17,779)**	(18,451)
Profit before tax		**108,193**	110,955
Income tax expense	*4*	**(23,841)**	(24,902)
Profit and total comprehensive income for the period	*5*	**84,352**	86,053
Profit (loss) for the period attributable to:			
– Owners of the Company		**85,070**	86,896
– Non-controlling interests		**(718)**	(843)
		84,352	86,053
Earnings per share			
– Basic *(RMB cents)*	*7*	**8.40**	8.58

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTES	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Non-current assets			
Property and equipment		**855**	905
Investment properties		**799,486**	797,073
Rental deposits	*8*	**25,542**	25,542
Restricted bank balances		**9,614**	10,086
Finance lease receivables		**–**	3,813
Deferred tax assets		**57,611**	56,217
		893,108	893,636
Current assets			
Finance lease receivables		**–**	817
Trade and other receivables	*8*	**35,408**	35,918
Financial assets at fair value through profit or loss		**282,105**	11
Debt instrument at amortised cost		**21,003**	–
Amounts due from related parties		**19,206**	12,974
Short-term bank deposits		**397,534**	830,835
Cash and cash equivalents		**656,556**	512,599
		1,411,812	1,393,154

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

	NOTES	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Current liabilities			
Trade and other payables	9	**238,986**	276,908
Lease liabilities		**28,427**	24,705
Contract liabilities		**17,066**	15,840
Amounts due to related parties		**17,191**	1,963
Tax payable		**18,067**	17,131
Dividend payable		**74,898**	–
		394,635	336,547
Net current assets		**1,017,177**	1,056,607
Total assets less current liabilities		**1,910,285**	1,950,243
Capital and reserves			
Share capital	10	**8,487**	8,487
Reserves		**1,269,825**	1,258,977
Equity attributable to owners of the company		**1,278,312**	1,267,464
Non-controlling interests		**3,695**	4,413
Total equity		**1,282,007**	1,271,877
Non-current liabilities			
Deferred tax liabilities		**22,425**	21,741
Lease liabilities		**605,853**	656,625
		628,278	678,366
		1,910,285	1,950,243

NOTES TO THE FINANCIAL INFORMATION

1. BASIS OF PREPARATION

The financial information has been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. PRINCIPAL ACCOUNTING POLICIES

The financial information has been been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value.

The accounting policies and methods of computation used in the financial information for the six months ended 30 June 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2025.

Application of amendments to HKFRS Accounting Standard

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards as issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2026 for the preparation of the Group's financial information:

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

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in this financial information.

3. REVENUE AND SEGMENT INFORMATION

The Group generates revenue primarily from provision of commercial operational services to either owners or tenants in respect of the commercial properties in the Chinese Mainland under three commercial operational models as described below:

- Entrusted management service model;
- Brand and management output service model; and
- Sublease service model.

Revenue

Revenue from commercial property operational services by type of operational model

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
By type of operational model		
Entrusted management services	**174,305**	185,706
Brand and management output services	**33,647**	34,439
Sublease services	**72,529**	64,084
	280,481	284,229
Comprise of:		
– Revenue from contracts with customers	**250,075**	256,104
– Revenue from leases	**30,406**	28,125
	280,481	284,229

(i) Disaggregation of revenue from contracts with customers

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Commercial property operational services:		
– Positioning, construction consultancy and tenant sourcing services	**22,076**	20,985
– Operational management services	**186,659**	182,235
– Value-added services	**41,340**	52,884
	250,075	256,104
Timing of revenue recognition:		
– Over time	**249,323**	254,618
– A point in time	**752**	1,486
	250,075	256,104
Type of customers:		
– Property owners	**93,528**	77,521
– Tenants and other customers	**156,547**	178,583
	250,075	256,104

(ii) Leases

The revenue from leases arises from the lease agreements entered into between the Group and tenants under sublease service model. The Group enters into lease agreements with the property owners of commercial properties and subleases the commercial spaces within the commercial properties to tenants.

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
For operating leases:		
Lease payments that are fixed	**17,217**	16,690
Variable lease payments	**13,156**	11,330
	30,373	28,020
For finance leases:		
Finance income on the net investment in the lease	**33**	105
Total revenue arising from leases	**30,406**	28,125

Segment Information

The Group's operations are solely derived from provision of commercial property operational services in the Chinese Mainland. For the purposes of resources allocation and performance assessment, the chief operating decision maker (i.e. the chief executive of the Group) reviews the overall results and financial position of the Group as a whole. Accordingly, the Group has only one single operating segment and no further analysis of this single segment is presented.

Geographical information

No geographical segment information is presented as the Group's operation is mainly in the Chinese Mainland and all its non-current assets are situated in the Chinese Mainland. All of the Group's revenue from external customers is attributable to the group entities' place of domicile (i.e. the Chinese Mainland).

4. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current tax:		
The People's Republic of China Enterprise Income Tax, net	**29,894**	29,268
Deferred tax	**(6,053)**	(4,366)
	23,841	24,902

5. PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Profit for the period is arrived at after charging (crediting):		
Depreciation of property and equipment	**231**	300
Depreciation of investment properties	**22,676**	23,082
Staff costs (including directors' emoluments)		
Salaries and other benefits	**73,540**	76,827
Equity-settled share-based payments	**806**	981
Retirement benefits schemes contributions	**11,795**	11,911
Total staff costs	**86,141**	89,719
Gain on disposal of a subsidiary (included in other gains and losses)	**(137)**	–
Gain on fair value changes of financial assets at FVTPL (included in other gains and losses)	**(9,013)**	–
Loss on disposal of property and equipment (included in other gains and losses)	**1**	131
Net exchange loss (included in other gains and losses)	**9,602**	1,292

6. DIVIDENDS

Dividends recognised as distributions during the period:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
2025 final dividend of HK8.5 cents per ordinary share	**75,028**	–
2024 final dividend of HK8.3 cents per ordinary share	**–**	77,108
	75,028	77,108

The Board declared the payment of an interim dividend of HK8.0 cents per ordinary share for the six months ended 30 June 2026, a total amount of approximately HK$81,161,000, of which an amount of approximately HK$162,000 (six months ended 30 June 2025: HK$97,000) related to 2,027,000 (six months ended 30 June 2025: 1,937,000) shares held by the Company under the Company's Restricted Share Unit Scheme ("**RSU Scheme**").

During the six months ended 30 June 2026, a final dividend of HK8.5 cents per ordinary share for the year ended 31 December 2025, a total amount of approximately HK$86,234,000 (equivalent to approximately RMB75,028,000), was declared, of which an amount of approximately HK$172,000 (equivalent to approximately RMB150,000) related to 2,027,000 shares held by the Company under the RSU Scheme. The dividends had been paid on 10 July 2026.

During the six months ended 30 June 2025, a final dividend of HK8.3 cents per ordinary share for the year ended 31 December 2024, a total amount of approximately HK$84,205,000 (equivalent to approximately RMB77,108,000), was declared, of which an amount of approximately HK$161,000 (equivalent to approximately RMB147,000) related to 1,937,000 shares held by the Company under the RSU Scheme. The dividends had been paid on 10 July 2025.

7. EARNINGS PER SHARE

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

Earnings

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Earnings for the purpose of calculating basic earnings per share:		
Profit for the period attributable to owners of the Company	**85,070**	86,896

Number of shares

	Six months ended 30 June	
	2026	2025
	'000	*'000*
	(Unaudited)	(Unaudited)
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	**1,012,489**	1,012,579

No diluted earnings per share for both interim periods were presented as there were no potential ordinary shares in issue.

8. TRADE AND OTHER RECEIVABLES

	30 June	31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade and other receivables		
– Trade receivables	**11,280**	12,316
– Other receivables	**49,670**	49,144
	60,950	61,460
Analysed as:		
Non-current	**25,542**	25,542
Current	**35,408**	35,918
	60,950	61,460

	30 June	31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade receivables		
Contracts with customers		
– Third parties	**34,591**	29,851
– Related parties	**445**	316
Less: Allowance for credit losses	**(23,756)**	(23,266)
	11,280	6,901
Operating lease receivables – third parties	**–**	5,415
	11,280	12,316

The Group grants credit terms of 10 to 30 days to its customers from the date of invoices. The following is an ageing analysis of the trade receivables in respect of contracts with customers, net of allowance of credit losses, presented based on the invoice date at the end of each reporting period:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
0-10 days	**10,936**	11,918
Over 90 days	**344**	398
	11,280	12,316

The following is an ageing analysis of the lease receivables presented based on the revenue recognition date at the end of each reporting period:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
0-10 days	**–**	5,415

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Other receivables recognised as non-current assets		
Rental deposits	**25,542**	25,542
Other receivables recognised as current assets		
Receivables from third-party payment platforms	**1,089**	1,952
Payments on behalf of tenants	**1,682**	1,253
Advance to employees	**468**	293
Other tax recoverables	**18,917**	16,175
Deposits	**305**	1,209
Prepayment	**1,483**	1,075
Others	**184**	1,645
	24,128	23,602
Total other receivables	**49,670**	49,144

9. TRADE AND OTHER PAYABLES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade and other payables		
– Trade payables	**35,346**	41,997
– Other payables	**203,640**	234,911
	238,986	276,908

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade payables		
Contracts with suppliers		
– Third parties	**30,667**	37,500
– Related parties	**4,679**	4,497
	35,346	41,997

The credit period granted by suppliers of the Group normally ranges between 30 to 90 days. The following is an ageing analysis of trade payables based on the invoice date at the end of each reporting period:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
0-30 days	**35,346**	41,997

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Other payables		
Receipts on behalf of tenants	**47,722**	69,319
Deposits received	**58,703**	63,319
Payables for leasehold improvements included in investment properties	**77,562**	57,717
Salary payables	**10,839**	31,231
Accruals and others	**4,760**	8,170
Other tax payables	**4,054**	5,155
	203,640	234,911

10. SHARE CAPITAL

Details of the Company's shares are disclosed as follows:

	Number of shares	**Share capital**	**Share capital**
		HK$'000	*RMB'000*
Ordinary shares of HK$0.01 each			
Authorised			
As at 1 January 2025, 30 June 2025, 31 December 2025 and 30 June 2026	2,000,000,000	20,000	16,755
Issued and fully paid			
As at 1 January 2025, 30 June 2025, 31 December 2025 and 30 June 2026	1,014,516,000	10,145	8,487

OVERVIEW

The Group is a leading commercial property operational service provider in the Greater Bay Area with a national presence. As of 30 June 2026, the Group provided services for 51 commercial property projects located in 18 cities in China, with an aggregate contracted gross floor area ("**GFA**") of approximately 2.39 million square meters ("**sq.m.**") (excluding the GFA under nine consultancy services projects), approximately 41.8% of which was developed or owned by independent third parties. Among them, 26 retail commercial properties have been opened with an aggregate opened GFA of approximately 1.48 million sq.m..

The Group owns a comprehensive and highly-recognised brand system, primarily including "COCO Park" for city shopping centers (城市型購物中心) targeting consumers in the city, "COCO City" and "iCO" for regional shopping centers (區域型購物中心) targeting consumers within a five-kilometer radius from such shopping centers, "COCO Garden" for community shopping centers (社區型購物中心) targeting consumers within a one-to-three-kilometer radius from such shopping centers and "Top Living (第三空間)" for its high-end home furnishing shopping center.

The Group has been widely recognised in the market for its brand system and operating strength with various honours received. In the first half of 2026, the Group attained awards including "China's Top Ten Commercial Property Developers 2026" (2026中國商業地產運營十強企業) and "China's Top 100 Commercial Property Enterprises 2026" (2026中國商業地產百強企業) by China Index Academy (中指院), "2025 Star Excellence Awards – Star Excellence Awards for Innovative Commercial Property Management Companies" (2025年度星秀榜—運營創新商管企業星秀榜) by Mall China, "2026 CCFA Golden Lily Best Practice Five-Star Case for Shopping Malls" (2026年CCFA金百合購物中心最佳實踐五星案例) by CCFA, "Company of the Year for Operational and Management Excellence" (年度卓越運營管理企業) by Winshang.com and Gelonghui Golden Grid Award - Outstanding ESG Environmentally Friendly Enterprise (格隆匯 • 金格獎—ESG環境友好卓越企業) by Gelonghui. Additionally, Shenzhen Galaxy WORLD • COCO Park (深圳星河WORLD • COCO Park) was awarded the "National Platinum Certificate for Compliance with the Evaluation Standards for Green, Low-Carbon and Sustainable Development of Commercial Complexes and Shopping Centres" (《商業綜合體購物中心綠色低碳與可持續發展評價規範》全國貫標應用鉑金級證書) by Mall China, whilst Shenzhen Longgang Galaxy COCO Park (深圳龍崗星河COCO Park) received the "2026 Outstanding Performance in Overall Retail Commercial Strength Award" (2026 零售商業綜合實力卓越表現) from the Viewpoint Index Research Institute.

BUSINESS REVIEW

The Group is a commercial property operational service provider focusing on improving the results of operations of commercial properties, primarily shopping centers, shopping streets and commercial complex, for property owners through its professional management. Its commercial property operational services comprise:

- market positioning, design and construction consultancy and tenant sourcing services: primarily including market positioning, business planning consultancy, design and construction consultancy and tenant sourcing services;

- operational management services: primarily including formulating operation strategies, conducting marketing and promotional events, tenant management services, property management services and rent collection services;

- property leasing services: including sublease of commercial spaces in the commercial properties managed under the sublease service model to tenants; and

- value-added services: primarily including management of common areas in the shopping centers which customers can rent for a short period for pop-up shops and promotional settings, and management of advertising spaces, such as LED boards and interior and exterior facades of the shopping centers.

The Group provides commercial property operational services under three operational models, namely, the entrusted management service model, the brand and management output service model and the sublease service model. Under different operational models, the Group has different levels of involvement in the management of commercial properties and provides different combinations of services to different customer groups.

Entrusted management service model

Under this model, it was entrusted by the property owners with full authority to manage the commercial properties. The Group employs the entire management team, including the general project manager and members of functional departments.

- Services: The Group provides (i) market positioning, design and construction consultancy and tenant sourcing services; (ii) operational management services; and (iii) value-added services.

- Customers: The Group's customers include (i) property owners; (ii) tenants; and (iii) relevant customers in respect of value-added services.

- Revenue sources: The Group's revenue sources include (i) fixed fees for positioning, construction consultancy and tenant sourcing services from property owners; (ii) a pre-agreed percentage of the revenue or profit, and/or a fixed fee, for operational management services from property owners; (iii) management fees for operational management services from tenants; and (iv) common area use fees for valued-added services from relevant customers.

- Cost structure: The Group bears the operating costs of managing the commercial property.

The entrusted management service model offers the Group a higher level of autonomy in managing the project, which it believes can achieve better operating results and increase its revenue, and limits its credit risk as certain cash flows may pass through.

Brand and management output service model

Under this model, the Group, as professional managers, manages commercial properties for the property owners. It only employs the core management team for the projects, usually consisting of the general project manager and/or heads of certain functional departments. The property owner is responsible for employing most of the project personnel. The core management team assigned by the Group will lead and supervise the project personnel employed by property owners in managing the project.

- Services: The Group's services include (i) positioning, construction consultancy and tenant sourcing services; and (ii) operational management services.

- Customers: The Group's customers only include property owners.

- Revenue sources: The Group's revenue sources include (i) fixed fees for positioning, construction consultancy and tenant sourcing services from property owners; and (ii) a pre-agreed percentage of the revenue and/or profit, and/or a fixed fee, for operational management services from property owners.

- Cost structure: The Group only bears its staff costs related to the projects, a portion of which will be reimbursed by the property owners, and the property owners bear the operating costs of managing the commercial properties.

Under this model, the Group does not need to inject substantial capital and human resources, which results in a generally higher gross profit margin as compared to the other two models and facilitates its fast geographic expansion.

Sublease service model

Under this model, the Group leases the commercial property from the property owner and subleases commercial spaces within the commercial property to tenants. The Group is solely responsible for the management and operating results of the commercial property, and employs the entire management team of the project.

- Services: The Group's services include (i) property leasing services; (ii) operational management services; and (iii) value-added services.

- Customers: The Group's customers include (i) tenants; and (ii) relevant customers in respect of value-added services.

- Revenue sources: The Group's revenue sources include (i) rent from tenants; (ii) management fees for operational management services from tenants; and (iii) common area use fees for value-added services from relevant customers.

- Cost structure: The Group bears the operating costs of managing the commercial properties and pays rent to the property owner periodically.

Under the sublease service model, the Group may offer to renovate or decorate the commercial property in accordance with the lease agreement with the property owner. The sublease service model can maximise the Group's income from a project, which at the same time exposes it to higher risks. As a result, the Group takes a very prudent approach in adopting the sublease service model and consider adopting such model for projects with high growth potential.

The table below sets forth the breakdown of the Group's total contracted GFA and number of commercial properties as at the dates by operational model for the period indicated:

	As of 30 June 2026		As of 31 December 2025	
	Number of properties	***Contracted GFA ('000 sq.m.)***	*Number of properties*	*Contracted GFA ('000 sq.m.)*
Entrusted management services	**11**	**889**	11	878
Brand and management output services[1]	**33**	**1,029**	33	1,137
Sublease services[1]	**7**	**477**	8	521
Total	**51**	**2,395**	52	2,536

Note:

(1) In the first half of 2026, the Group conducted a comprehensive assessment from the perspective of its interests as a whole and took the initiative to negotiate with the property owners of Zhongshan Tianyi Galaxy COCO City (中山天奕星河COCO City) and completed the rescission of the contract. Meanwhile, the operational model of Changzhou Wujin Hutang Galaxy COCO City (常州武進湖塘星河COCO City) has shifted from sublease services to brand and management output services.

Projects in Operation

The table below sets forth the opened retail commercial property projects of the Group as at 30 June 2026:

	Commercial property	Location	Opening date	Shopping Mall	Car Park	Total GFA in operation	Operational model	Property owner
			(Month-Year)	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*		
1.	Shenzhen Futian Galaxy COCO Park (North) (深圳福田星河COCO Park (北區))	Shenzhen	September 2006	45,987	21,658	67,645	Entrusted management service	Galaxy Holding Group Co., Ltd.* (星河控股集團有限公司) ("**Galaxy Holding**") and its associates
2.	Shenzhen Galaxy Top Living (深圳星河第三空間)	Shenzhen	May 2007	27,988	–	27,988	Entrusted management service	Galaxy Holding and its associates
3.	Shenzhen Galaxy Center (深圳星河中心)	Shenzhen	April 2008	72,605	–	72,605	Brand and management output service	Galaxy Holding and its associates
4.	Shenzhen Longgang Galaxy COCO Park (深圳龍崗星河COCO Park)	Shenzhen	September 2012	79,506	90,186	169,692	Entrusted management service	Galaxy Holding and its associates
5.	Shenzhen Longhua Galaxy COCO City (深圳龍華星河COCO City)	Shenzhen	November 2014	45,182	123,222	168,404	Entrusted management service	Galaxy Holding and its associates
6.	Shenzhen Longhua Galaxy iCO (深圳龍華星河iCO)	Shenzhen	December 2015	54,037	–	54,037	Brand and management output service	Independent Third Party property developers
7.	Changzhou Galaxy International Phase III Project (常州星河國際三期項目)	Changzhou	August 2016	16,990	–	16,990	Brand and management output service	Galaxy Holding and its associates
8.	Changzhou Wujin Hutang Galaxy COCO City (常州武進湖塘星河COCO City)	Changzhou	August 2016	43,632	–	43,632	Brand and management output service	Galaxy Holding and its associates
9.	Huizhou Galaxy COCO Garden (惠州星河COCO Garden)	Huizhou	September 2017	32,899	9,135	42,034	Brand and management output service	Galaxy Holding and its associates
10.	Ordos Galaxy COCO City (鄂爾多斯星河COCO City)	Ordos	October 2017	81,522	–	81,522	Brand and management output service	Independent Third Party property developers
11.	Shenzhen Galaxy WORLD • COCO Park (深圳星河WORLD • COCO Park)	Shenzhen	September 2018	39,721	–	39,721	Entrusted management service	Galaxy Holding and its associates
12.	Shenzhen Futian Galaxy COCO Park (South) (深圳福田星河COCO Park (南區))	Shenzhen	July 2020	43,239	–	43,239	Entrusted management service	Galaxy Holding and its associates
13.	Shenzhen Longhua Galaxy COCO Garden (深圳龍華星河COCO Garden)	Shenzhen	August 2020	3,618	–	3,618	Brand and management output service	Galaxy Holding and its associates
14.	Shenzhen Shajing Galaxy COCO Garden (深圳沙井星河COCO Garden)	Shenzhen	August 2020	8,557	–	8,557	Brand and management output service	Independent Third Party property developers

	Commercial property	Location	Opening date *(Month-Year)*	Shopping Mall *(sq.m.)*	Car Park *(sq.m.)*	Total GFA in operation *(sq.m.)*	Operational model	Property owner
15.	Dongguan Galaxy COCO Garden (東莞星河COCO Garden)	Dongguan	October 2021	10,901	–	10,901	Brand and management output service	Independent Third Party property developers
16.	Jiaxing Galaxy COCO City (嘉興星河COCO City)	Jiaxing	July 2022	81,504	–	81,504	Sublease service	Independent Third Party property developers
17.	Guangzhou Nansha Dachong Galaxy COCO Garden (廣州南沙大涌星河COCO Garden)	Guangzhou	October 2022	18,029	–	18,029	Brand and management output service	Galaxy Holding and its associates
18.	Asian Financial Center Project (亞洲金融中心項目)	Guangzhou	November 2022	31,301	937	32,238	Brand and management output service	Galaxy Holding and its associates
19.	Commercial facilities of Shenzhen Galaxy WORLD Industrial Park (深圳星河WORLD產業園底商)	Shenzhen	April 2023	7,515	–	7,515	Brand and management output service	Galaxy Holding and its associates
20.	Xiamen Galaxy COCO Park (廈門星河COCO Park)	Xiamen	May 2023	73,507	28,834	102,341	Sublease service	Independent Third Party property developers
21.	Rizhao Galaxy iCO (日照星河iCO)	Rizhao	September 2023	56,611	–	56,611	Entrusted management service	Independent Third Party property developers
22.	Guangzhou Nansha Galaxy COCO Park (廣州南沙星河COCO Park)	Guangzhou	December 2023	96,018	–	96,018	Entrusted management service	Galaxy Holding and its associates
23.	Jiangyin Galaxy COCO City (江陰星河COCO City)	Wuxi	December 2023	51,226	–	51,226	Sublease service	Galaxy Holding and its associates
24.	Guangzhou Health Port Galaxy COCO Park (廣州健康港星河COCO Park)	Guangzhou	January 2024	115,802	–	115,802	Brand and management output service	Independent Third Party property developers
25.	Shanghai Pudong Galaxy COCO Garden (上海浦東星河COCO Garden)	Shanghai	May 2024	4,500	–	4,500	Brand and management output service	Galaxy Holding and its associates
26.	Shenzhen Guangming Galaxy COCO City (深圳光明星河COCO City)	Shenzhen	December 2025	60,318	–	60,318	Sublease service	Independent Third Party property developers
	Total			1,202,715	273,972	1,476,687		

The table below sets forth a breakdown of the Group's total contracted GFA as at the dates, and total revenue by geographic region for the period indicated:

	As at/for the six months ended 30 June 2026				As at/for the six months ended 30 June 2025			
		Contracted GFA	***Revenue***			*Contracted GFA*	*Revenue*	
Region	***No. of properties***	***sq.m.***	***RMB***	***%***	*No. of properties*	*sq.m.*	*RMB*	*%*
	(in thousands, except for numbers of properties and percentages)							
Greater Bay Area[1]	**31**	**1,323**	**223,958**	**79.8**	32	1,500	212,938	74.9
– *Shenzhen*	***20***	***848***	***202,622***	***72.2***	*19*	*777*	*186,135*	*65.5*
Yangtze River Delta[2]	**9**	**347**	**31,077**	**11.1**	9	422	42,499	15.0
Central China region[3]	**1**	**–**	**–**	**–**	1	–	–	–
Other regions[4]	**10**	**725**	**25,446**	**9.1**	10	725	28,792	10.1
Total[5]	**51**	**2,395**	**280,481**	**100.0**	52	2,647	284,229	100.0

Notes:

(1) Includes Shenzhen, Guangzhou, Zhongshan, Huizhou, Dongguan, Zhuhai and Maoming.

(2) Includes Shanghai, Nanjing, Changzhou, Wuxi, Jiaxing and Lu'an.

(3) Includes Wuhan.

(4) Include Jieyang, Tianjin, Ordos, Chengdu, Rizhao, Xiamen and Jining.

(5) Contracted GFA as of 30 June 2026 and 30 June 2025 excluded the GFA of nine and eight consultancy service projects, respectively.

The table below sets forth average occupancy rate and GFA in operation of retail commercial properties that have commenced operation as at the respective dates:

Product category	Average occupancy rate[1]		Area of shopping centers in operation[2]	
	30 June 2026	30 June 2025	**30 June 2026**	30 June 2025
	%	*%*	***('000 sq.m.)***	*('000 sq.m.)*
COCO Park	**92.8**	93.9	**494**	494
COCO City and iCO	**91.7**	90.9	**474**	576
Others	**95.2**	93.7	**235**	235
Total	**92.8**	92.5	**1,203**	1,305

Notes:

(1) The occupancy rate is calculated based on internal records and is calculated by dividing the actual leased area of retail commercial properties at the end of each relevant period by the available leased area. The occupancy rate is only applicable to retail commercial properties that the Group has provided tenant solicitation services, and the occupancy rate may fluctuate in different periods within a year.

(2) The area excludes car parking area.

WORK PLAN FOR THE SECOND HALF OF THE YEAR

In 2026, E-Star Commercial officially launched a new chapter of its "15th Five-Year Plan" with "Year of Lean Management" as its core theme. The Company has integrated lean management principles throughout its entire operational chain. Focusing on six key areas —"enhancing operational efficiency, revitalizing existing assets, preparing and launching new projects, empowering operations with digital and intelligent technologies, deepening regional expansion, and implementing ESG principles" — the Company will carry out its work to promote the simultaneous improvement of operational quality, asset returns, and brand value.

1. Lean management drives comprehensive quality and efficiency improvements

Adhering to a lean management approach, we continue to strengthen our comprehensive operational management capabilities. Relying on the five-step lean management methodology —"One Strategy per Store; Recruitment and Staffing Optimization; Service Excellence; Digital and Intelligent Efficiency Enhancement; and Social Circle Engagement"— we are fully implementing and advancing these initiatives.

One strategy per store; differentiated breakthroughs: Guided by the goal of maximizing the profitability of individual projects, we formulate tailored operational and cost strategies by category, dynamically track operational metrics, break down and assign specific operational targets, and achieve precise control.

Recruitment and staffing optimization to enhance asset value: We are advancing brand upgrades, revitalizing business formats, and reducing vacant spaces. We actively attract flagship stores and benchmark brands, implement a "one-store-one-strategy" approach, continuously optimize the on-site experience, and drive steady increases in rent and occupancy rates.

Service excellence to strengthen customer loyalty: Establish a comprehensive service system covering merchants, consumers, and members; empower merchants' operations; optimize the shopping environment; deepen member engagement; and continuously enhance customer retention and repeat purchases.

Digital and intelligent efficiency enhancement to empower business decisions: Deepen the application of smart retail systems, expand intelligent use cases, achieve data-driven visualized operations, and enhance the precision of management.

Expanding reach through content to unlock additional traffic: Create distinctive social consumption experiences, enrich themed events and cross-industry collaborations, cultivate private-domain traffic, expand the project's influence, and drive growth in foot traffic and sales.

2. Precision adjustments to unlock new momentum for assets

Through a dual-pronged approach of targeted adjustments and positioning refinement, we are driving a steady rise in the benchmark status of existing projects.

Renovation and revitalization of the former supermarket area in Shenzhen Futian Galaxy COCO Park (North) (深圳福田星河COCO Park (北區)): Focusing on a youth-oriented, trendy, and experiential positioning, we are moving full steam ahead with the renovation and upgrade of the former supermarket area. We optimized the mix of retail formats, introduced high-quality flagship brands and innovative experiential concepts to create a new regional consumer landmark; strictly controlled project progress, quality, and safety to efficiently advance renovation work and brand rollouts; and simultaneously planned grand opening marketing campaigns to ensure a rapid surge in foot traffic following the area's revitalization, thereby enhancing the project's overall value.

Renovation and upgrade of the supermarket area of Shenzhen Longhua Galaxy COCO City (深圳龍華星河COCO City): Centered on convenience, quality, and immersive experiences, the renovation and upgrade of the supermarket area has been completed. The mix of retail formats has been optimized to enhance product quality and service experiences, meeting the needs of the surrounding family customers; construction management has been standardized to ensure the mall's normal operations during the renovation; and brand onboarding and grand opening preparations have been accelerated to establish a new benchmark for convenient local shopping and strengthen the project's core competitiveness.

3. Anchoring key milestones to drive high-quality implementation of new projects

Focusing on the pre-opening goals of new projects, we will make every effort to ensure on-time openings, smooth implementation, and effective operations.

Opening push: Make every effort to ensure the on-time, high-quality, and smooth openings of the two major projects: Phase II of Shenzhen Galaxy WORLD • COCO Park (深圳星河WORLD • COCO Park) and Shenzhen Longgang Galaxy COCO City (深圳龍崗星河COCO City).

Preparation and advancement: Steadily advance all preparatory work for Nanjing Galaxy COCO City (南京星河COCO City), focusing on initial positioning, tenant recruitment, and team building.

Mechanism support: Establish a countdown management mechanism for openings, break down preparatory tasks item by item, clarify responsibilities across all departments, and ensure a closed-loop approach to all tasks to guarantee that "every new project that opens is a success."

4. Digital-intelligence integration to empower operational management upgrades

Deepening the integration of smart retail and AI technology, we fully rolled out a new ERP system to drive business operations through technology.

In-depth exploration of smart retail + AI technology: Continuously advance smart retail innovation and deepen the implementation of AI technology across all commercial operation scenarios. Leverage AI algorithms to achieve precision marketing, foot traffic forecasting, brand analysis, and intelligent energy consumption control; optimize integrated online-offline consumption scenarios to enhance convenience and the customer experience; use technology to reduce operating costs and improve operational efficiency, setting a new benchmark for smart commerce.

Full rollout of the new ERP system: We are continuing to advance the full rollout of the new ERP system to achieve integration of business and financial operations, streamlined workflows, and seamless data exchange. We have completed the entire implementation process, including system debugging, data migration, company-wide training, and practical implementation; we have integrated business modules such as investment promotion, operations, finance, cost management, and assets to standardize management processes, ensure accurate data accounting, and provide scientific decision-making support; leveraging the launch of the new ERP system as an opportunity, we are strengthening our management foundation and comprehensively enhancing the refined and digital management at the Company's level.

5. Strengthening regional focus to drive expansion breakthroughs

Focusing on the core regions of the Guangdong-Hong Kong-Macao Greater Bay Area and the Yangtze River Delta, we will concentrate our efforts on four key project categories — benchmark shopping centers, cultural and tourism-oriented commercial projects, non-standard commercial projects, and community-based commercial projects — to deepen our market penetration and consolidate our core business.

Innovative cooperation models: Driven by innovation, we will expand asset-light cooperation through new models such as modular partnerships and end-to-end advisory services, thereby refining our partnership system of diversified channel.

Seizing opportunities with precision: Closely monitoring market changes, precisely identifying high-quality project opportunities, continuously improving expansion outcomes, and consolidating the Company's leading position in commercial management within core regions.

6. Practicing ESG principles to drive sustainable development

We are unwavering in integrating ESG principles throughout the entire commercial operations chain and actively fulfilling our commitment to sustainable development.

Adhering to green and low-carbon principles; anchoring the "dual carbon" action path: We integrate energy conservation and carbon reduction throughout our operations, continuously optimizing environmental performance through refined energy consumption management and the adoption of cutting-edge energy-saving technologies. We continue to deepen the "Sustainable Exploration Initiative," using "Zero-Waste Commercial Districts" and "Circular Cities" as practical platforms to drive the transformation of commercial spaces into green ecological spaces and support urban low-carbon transformation.

Creating long-term value and building a win-win business ecosystem: Centering on the five key directions of "Sustainable Governance, Low-Carbon Operations, Quality Service, People-Centric Approach, and Harmonious Co-Construction," we systematically advance the in-depth implementation of ESG principles across all business scenarios. We focus on employees' professional growth by establishing diverse career development pathways; deepen community engagement to invigorate local vitality; and collaborate with merchants to jointly advocate for sustainable consumption patterns. By connecting business, people, and the city through a sense of responsibility, we continuously infuse enduring and steady positive energy into social progress and urban prosperity.

EVENTS AFTER REPORTING PERIOD

There are no significant events subsequent to 30 June 2026 that have material impact on the Group's operating and financial performance as at the date of this announcement.

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2026, the Group's revenue amounted to approximately RMB280.5 million, representing a period-on-period decrease of approximately 1.3%.

The table below sets forth the breakdown of the Group's total revenue by operational model for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	(Unaudited)		(Unaudited)	
	RMB'000	*%*	*RMB'000*	*%*
Entrusted management services	**174,305**	**62.1**	185,706	65.3
Brand and management output services	**33,647**	**12.0**	34,439	12.1
Sublease services	**72,529**	**25.9**	64,084	22.6
Total	**280,481**	**100.0**	284,229	100.0

- Entrusted management services: For the six months ended 30 June 2026, revenue from entrusted management services amounted to approximately RMB174.3 million, representing a period-on-period decrease of approximately 6.1% and accounting for approximately 62.1% of the total revenue of the Group. The revenue from entrusted management service decreased primarily due to the operational adjustments implemented to its core projects currently in operation by the Company in consideration of long-term sustainable growth, putting pressure on short-term revenue. Although these adjustments have had a temporary impact on the financial performance in the current period, they lay a structural foundation for steady future development.

- Brand and management output services: For the six months ended 30 June 2026, revenue from brand and management output services amounted to approximately RMB33.6 million, representing a period-on-period decrease of approximately 2.3% and accounting for approximately 12.0% of the total revenue of the Group. The decrease in the revenue from brand and management output services was primarily attributable to the offsetting effects of two factors: the shift of the operational model for Changzhou Wujin Hutang Galaxy COCO City (常州武進湖塘星河COCO City) from sublease services to brand and management output services (positive contribution) and the withdrawal of the Zhongshan Tianyi Galaxy COCO City (中山天奕星河COCO City) project (negative offset).

- Sublease services: For the six months ended 30 June 2026, revenue from sublease services amounted to approximately RMB72.5 million, representing a period-on-period increase of approximately 13.2% and accounting for approximately 25.9% of the total revenue of the Group. The increase in revenue from sublease services was mainly due to the contribution of the operating income from the project of sublease services newly launched (Shenzhen Guangming Galaxy COCO City (深圳光明星河COCO City)), partly offset by the shift of the operational model of Changzhou Wujin Hutang Galaxy COCO City (常州武進湖塘星河COCO City).

Cost of Services

For the six months ended 30 June 2026, the Group's cost of services amounted to approximately RMB138.3 million, representing a period-on-period increase of approximately 2.0%, which was mainly due to the increase in operating cost as a result of the project of sublease services newly launched (Shenzhen Guangming Galaxy COCO City (深圳光明星河COCO City)), as well as the shift of the operational model of Changzhou Wujin Hutang Galaxy COCO City (常州武進湖塘星河COCO City) from sublease services to brand and management output service, resulting in the decrease in operating cost. Coupled with the decrease in operating costs of various projects (such as staff costs, environmental expenses and energy costs) through refined operations aimed at reducing costs and improving efficiency, resulting in a slight increase in cost of services.

Gross Profit and Gross Profit Margin

For the six months ended 30 June 2026, the Group's gross profit amounted to approximately RMB142.2 million, representing a period-on-period decrease of approximately 4.4%.

The table below sets forth the gross profit and the respective gross profit margins by operational model for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	(Unaudited)		(Unaudited)	
	RMB'000	*%*	*RMB'000*	*%*
Entrusted management services	**100,792**	**57.8**	107,144	57.7
Brand and management output services	**25,369**	**75.4**	25,835	75.0
Sublease services	**16,001**	**22.1**	15,702	24.5
Total	**142,162**	**50.7**	148,681	52.3

For the six months ended 30 June 2026, the overall gross profit margin amounted to approximately 50.7%, representing a decrease of approximately 1.6 percentage points as compared with approximately 52.3% for the corresponding period of 2025,which was primarily due to an increase in the contribution of revenue from sublease services, which have low gross profit margins, resulting in a slight decline in the overall gross profit margin.

- The gross profit margins of entrusted management services and brand and management output services remained relatively stable as compared to the corresponding period in 2025.

- Sublease services: For the six months ended 30 June 2026, the gross profit margin amounted to approximately 22.1%, representing a decrease of approximately 2.4 percentage points as compared with approximately 24.5% for the corresponding period of 2025. The decrease in the gross profit margin was primarily due to a certain rent-free period for operation granted to tenants of the sublease services project newly launched (Shenzhen Guangming Galaxy COCO City (深圳光明星河COCO City)), resulting in the slight decrease in the gross profit margin of sublease services.

Other Income

For the six months ended 30 June 2026, other income amounted to approximately RMB14.6 million, primarily representing interest income from fixed-term bank deposits.

Other Gains and Losses

For the six months ended 30 June 2026, net other losses amounted to approximately RMB0.2 million, primarily representing gain from fair value changes of financial assets at fair value through profit or loss and foreign exchange loss.

Impairment Losses Recognised under Expected Credit Loss Model, Net of Reversal

For the six months ended 30 June 2026, the Group's impairment losses recognised under expected credit loss model amounted to approximately RMB0.5 million (six months ended 30 June 2025: impairment losses recognised under expected credit loss model amounted to approximately RMB0.7 million), mainly due to the change of estimation on future collection of trade receivables according to the facts and circumstances in respect of the projects during the reporting period.

Selling Expenses

For the six months ended 30 June 2026, the Group's selling expenses amounted to approximately RMB7.0 million, representing a period-on-period increase of approximately 5.2%. This was primarily due to the commencement of the operation of Shenzhen Guangming Galaxy COCO City (深圳光明星河COCO City) at the end of last year, which led to an increase in marketing and promotional activities for the project, resulting in higher selling expenses.

Administrative Expenses

For the six months ended 30 June 2026, the Group's administrative expenses amounted to approximately RMB23.0 million, representing a period-on-period decrease of approximately 12.8%, primarily due to the continued optimization of its organizational structure and the enhancement of management effectiveness, resulting in a decrease in administrative expenses.

Finance Costs

The Group's finance costs mainly refer to interest expense on lease liabilities recognised in accordance with HKFRS 16 "Leases" ("**HKFRS 16**") in respect of subleased projects.

For the six months ended 30 June 2026, the Group's finance costs amounted to approximately RMB17.8 million, which was largely unchanged from the same period of the previous year.

Income Tax Expense

For the six months ended 30 June 2026, the Group's effective income tax rate was approximately 22.0%, which was largely unchanged from the same period of the previous year.

Profit for the period

The Group's profit for the six months ended 30 June 2026 amounted to approximately RMB84.4 million, representing a period-on-period decrease of approximately 2.0%. The profit attributable to the owners of the Company amounted to approximately RMB85.1 million, representing a period-on-period decrease of approximately 2.1%.

Trade and other receivables

The Group's trade and other receivables primarily arose from trade receivables arising from commercial property operational services within the shopping centers, shopping streets and commercial complexes, rental deposits, receivables from third-party payment platforms, other tax recoverable, prepayments and others. As at 30 June 2026, excluding rental deposits, the current portion of the Group's trade and other receivables amounted to approximately RMB35.4 million, representing a year-on-year decrease of approximately 1.4% as compared with that of approximately RMB35.9 million as at 31 December 2025, which was mainly attributable to the Group's proactive collection efforts on various receivables, resulting in a decrease in trade receivables.

Trade and other payables

The Group's trade and other payables primarily represent amounts due to suppliers/subcontractors as well as related parties for the purchase of services and goods, receipts on behalf of tenants, deposits received from tenants, salary payables, payables for leasehold improvements and others. As at 30 June 2026, the Group's trade and other payables amounted to approximately RMB239.0 million, representing a decrease of approximately 13.7% as compared with that of RMB276.9 million as at 31 December 2025, primarily due to the decrease in salary payables to employees as a result of the payment of the year-end bonus provided in the previous year, the decrease in the balance of receipts on behalf of tenants as a result of return of receipts on behalf of tenants and was offset by an increase in payables for construction projects resulting from increased renovation expenditures for sublease projects.

Investment properties

The Group's investment properties mainly refer to the right-of-use assets recognised in accordance with HKFRS 16 in respect of subleased projects and renovation expenditures for sublease projects. As at 30 June 2026, the Group's investment properties amounted to approximately RMB799.5 million, which was largely unchanged from that of approximately RMB797.1 million as at 31 December 2025.

Charge of assets

As at 30 June 2026, none of the assets of the Group were being charged.

Contingent liabilities

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

Liquidity and capital resources

The Group has maintained stable financial position and sufficient liquidity and bank balances. As at 30 June 2026, the Group's short-term bank deposits, financial assets at fair value through profit or loss, debt instrument at amortised cost and cash and cash equivalents amounted to approximately RMB1,357.2 million, representing an increase of approximately 1.0% as compared with that of approximately RMB1,343.4 million as at 31 December 2025, the increase was principally due to the increase in operating income for the six months ended 30 June 2026, which was offset by renovation expenditures for sublease projects. The management believes that the Group's financial resources and future revenue will be sufficient to support the current working capital requirements and future expansion of the Group.

Bank loans and other borrowings

As at 30 June 2026, the Group had no bank loans and other borrowings (31 December 2025: nil).

Gearing ratio

Gearing ratio is calculated based on total liabilities divided by total assets. As at 30 June 2026, gearing ratio was approximately 44.4%, which was largely unchanged as compared with approximately 44.4% as at 31 December 2025.

Foreign exchange risk

The Group primarily operates in Mainland China and its businesses are principally conducted in Renminbi. As at 30 June 2026, the Group's financial assets and liabilities are mainly denominated in Renminbi while the financial assets denominated in currencies other than Renminbi, such as Hong Kong dollars or United States dollars, amounted to approximately USD38.4 million (denominated in U.S. dollars) and approximately HK$99.1 million (denominated in Hong Kong dollars). Fluctuations in the exchange rate of Renminbi against U.S. dollars and Hong Kong dollars may affect the Group's operating results. The management will continue to monitor foreign exchange risk and consider hedging foreign exchange risks at the appropriate time.

Net Proceeds from the Global Offering and Over-allotment Option

A total of 270,640,000 ordinary shares of HK$0.01 each in the share capital of the Company (the "**Share(s)**") were issued at HK$3.86 per Share in connection with the listing of the Shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 26 January 2021, including the Over-allotment Option (as defined in the prospectus of the Company dated 14 January 2021 (the "**Prospectus**")).

The net proceeds from the Global Offering (as defined in the Prospectus) amounted to approximately RMB777.0 million and the additional net proceeds received by the Company from the partial exercise of the Over-allotment Option (as defined in the Prospectus) on 18 February 2021 was approximately RMB64.8 million (collectively, the "**Net Proceeds**").

On 25 August 2022, the Board resolved to change the proposed use of the Net Proceeds to capture the opportunities in the sublease service market and enable the Group to enjoy long-term sustainable revenue from sublease projects. For details, please refer to the interim results announcement of the Company dated 25 August 2022 and the 2022 interim report of the Company, respectively. However, since COVID-19, the PRC real estate market has been experiencing a downturn, which in turn leads to the delay in opening of sublease projects. The number of projects under the sublease service model which would incur lease expenses and renovation costs is lower than originally expected and therefore the Company could not utilize the Net Proceeds according to the original expected timeline. So the Company further announced that the Net Proceeds will only be fully utilized by 31 December 2028. For further details, please refer to the announcement published on 26 February 2026.

As of 30 June 2026, an analysis of the utilisation of Net Proceeds is as follows:

Revised use of Net Proceeds as set out in the announcement of the Company dated 25 August 2022	Approximate % of Net Proceeds	Net Proceeds *(RMB million)*	Unused Net Proceeds as at 1 January 2026 *(RMB million)*	Utilised Net Proceeds for the six months ended 30 June 2026 *(RMB million)*	Utilised Net Proceeds as of 30 June 2026 *(RMB million)*	Unutilised Net Proceeds as of 30 June 2026 *(RMB million)*	Expected time of full utilisation
For lease expenses and renovation of retail commercial properties under the sublease service model	75%	631.4	236.2	59.0	454.2	177.2	by end of 31 December 2028
To make minority equity investment in the project companies which own quality commercial properties	10%	84.2	45.2	–	39.0	45.2	by end of 31 December 2028
To upgrade information technology systems to raise the Group's management service quality, reduce labor costs and improve internal control, among which:							
– to enhance intelligent operation data center, which includes real time remote onsite monitoring, tenant's business data analysis, operational early-warning and tenant mix optimization based on tenant's business data analysis	2.5%	21.0	14.6	0.6	7.0	14.0	by end of 31 December 2028
– to improve customers services	2.5%	21.0	12.9	0.4	8.5	12.5	by end of 31 December 2028
For general business purpose and working capital	10%	84.2	–	–	84.2	–	–
Total	100%	841.8	308.9	60.0	592.9	248.9	

The unutilised Net Proceeds have been placed with licensed banks as at the date of this announcement.

For the unutilised net proceeds of approximately RMB248.9 million as at the end of the reporting period, the Company intends to use them in the same manner and proportions as described in the announcement of the Company dated 25 August 2022 and proposes to use the unutilised Net Proceeds in accordance with the expected timetable disclosed in the table above.

NUMBER OF EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the total number of employees of the Group was 817 (31 December 2025: 874). Employees are remunerated according to their qualifications and experience, job nature and performance, and under the pay scales aligned with market conditions. As part of the Group's retention strategy, it offers employees performance-based cash bonuses and other incentives in addition to basic salaries including medical scheme, insurance coverage, retirement schemes, share option scheme and award of restricted share units under the restricted share unit scheme adopted by the Company on 4 November 2021.

Except for the share option scheme and award of restricted share units under the restricted share unit scheme adopted by the Company on 4 November 2021, the ultimate controlling Shareholder, Mr. Huang Chu-Long, adopted a share award scheme on 17 April 2023 to encourage and reward the eligible employees (including the Directors) for their contributions to the Group's results and business development. Share awards to certain employees, senior management or directors of the Group or other persons who make significant contribution to the Group were granted on 17 April 2023, resulting in share-based payment expenses of approximately RMB806,000 being included in the aforementioned staff costs for the first half of 2026 (six months ended 30 June 2025: RMB981,000). As at 30 June 2026, the award Shares had been fully vested.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

During the six months ended 30 June 2026, save for the expansion plans as set out in the section headed "Future Plans and Use of Proceeds – Use of Proceeds" in the Prospectus, the Group had no specific plan for material investment or acquisition of major capital assets or other businesses.

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

The Group did not have any significant investments, material acquisitions and disposals of subsidiaries, associates and joint ventures during the six months ended 30 June 2026.

PLEDGE OF ASSETS

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

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on the Stock Exchange as its own code of conduct for Directors in their dealings in the securities of the Company. Having made specific inquiries with all the Directors, each of the Directors has confirmed that he/she has complied with the required standards as set out in the Model Code for the six months ended 30 June 2026.

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 Company's listed securities (including sale of treasury shares) during the six months ended 30 June 2026.

There were no treasury shares held by the Company as at 30 June 2026 and the date of this announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining high standard of corporate governance practices and procedures and complying with the statutory and regulatory requirements with an aim to maximising the values and interests of the Shareholders as well as enhancing the transparency and accountability to the stakeholders.

During the six months ended 30 June 2026, the Directors are of the view that the Company had applied the principles of good corporate governance and complied with the code provisions as set out in Part 2 of the Corporate Governance Code as contained in Appendix C1 to the Listing Rules. Further information about the corporate governance practices of the Company will be set out in the interim report of the Company for the six months ended 30 June 2026.

INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board declared the payment of an interim dividend of HK8.0 cents per ordinary share for the six months ended 30 June 2026 (six months ended 30 June 2025: HK5.0 cents per ordinary share).

The register of members of the Company will be closed from Friday, 27 November, 2026 to Monday, 30 November 2026, both days inclusive, during which period no transfer of Shares will be registered. For the purpose of determining the entitlement to the proposed interim dividend for the six months ended 30 June 2026, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Thursday, 26 November, 2026. It is expected that the proposed interim dividend will be paid on or around Friday, 18 December 2026 to the Shareholders whose names appear on the register of members of the Company at the close of business on Monday, 30 November 2026.

REVIEW OF INTERIM RESULTS

The unaudited interim financial information for the six months ended 30 June 2026 has been reviewed in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the Hong Kong Institute of Certified Public Accountants, by Deloitte Touche Tohmatsu, the auditor of the Company. The audit committee of the Company (comprising Ms. Wan Hoi Lam and Mr. Guo Zengli, each an independent non-executive Director and Ms. Ou Qunping, a non-executive Director) has reviewed with the management of the Company the accounting principles and practice adopted by the Group and discussed internal controls, risk management and financial reporting matters including the review of the unaudited condensed consolidated interim results of the Group for the six months ended 30 June 2026.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) as well as the website of the Company (www.g-cre.com).

The interim report of the Company for the six months ended 30 June 2026 will be despatched to the Shareholders and made available on the websites of the Stock Exchange and the Company in due course.

By order of the Board
E-Star Commercial Management Company Limited
Huang De-Lin Benny
Chairman and executive Director

Hong Kong, 27 August 2026

As at the date of this announcement, the Board comprises Mr. Huang De-Lin Benny and Mr. Chen Qunsheng as executive Directors; Mr. Huang De'An Tony and Ms. Ou Qunping as non-executive Directors; and Ms. Wan Hoi Lam, Mr. Guo Zengli and Dr. Zhang Jinghua as independent non-executive Directors.