



Runhua Living Service Group Holdings Limited

润华生活服务集团控股有限公司

(a company incorporated in the Cayman Islands with limited liability)

(Stock Code: 2455)

INTERIM REPORT

2026

CONTENTS

Corporate Information	2
Financial Summary	4
Management Discussion and Analysis	5
Corporate Governance and Other Information	16
Interim Condensed Consolidated Profit and Loss and Other Comprehensive Income Statement	24
Interim Condensed Consolidated Statement of Financial Position	25
Interim Condensed Consolidated Statement of Changes in Equity	27
Interim Condensed Consolidated Statement of Cash Flows	29
Notes to Interim Condensed Consolidated Financial Information	31

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Yang Liquan (*Chairman of the Board*)
Mr. Fei Zhong li (*Former Chief Executive Officer*)
(*Resigned on 12 May 2026*)
Ms. Chen Jie (*Chief Executive Officer*)
(*Appointed on 12 May 2026*)

Non-executive Directors

Mr. Luan Tao
Mr. Luan Hangqian
Mr. Cheng Xin

Independent Non-executive Directors

Ms. Wang Yushuang
Ms. Bao Ying
Ms. He Murong

AUDIT COMMITTEE

Ms. Wang Yushuang (*Chairlady*)
Mr. Cheng Xin
Ms. Bao Ying

REMUNERATION COMMITTEE

Ms. He Murong (*Chairlady*)
Mr. Yang Liquan
Ms. Wang Yushuang

NOMINATION COMMITTEE

Mr. Yang Liquan (*Chairman*)
Ms. He Murong
Ms. Bao Ying

AUTHORISED REPRESENTATIVES

Ms. Ng Ka Man
Mr. Yang Liquan

COMPANY SECRETARY

Ms. Ng Ka Man

INDEPENDENT AUDITOR

SHINEWING (HK) CPA Limited
Registered Public Interest Entity Auditor
17/F, Chubb Tower, Windsor House
311 Gloucester Road
Causeway Bay
Hong Kong

REGISTERED OFFICE

Floor 4, Willow House
Cricket Square
Grand Cayman KY1-9010
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

6th Floor, Building No. 1
Lemeng Center
No. 28988 Jingshi Road
Jinan City
Shandong Province
PRC

CORPORATE INFORMATION

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

31/F, Tower Two
Times Square
1 Matheson Street
Causeway Bay
Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFER

Campbells Corporate Services Limited
Floor 4, Willow House
Cricket Square
Grand Cayman KY1-9010
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

PRINCIPAL BANKS

Agricultural Bank of China Co., Ltd. (Jinan Dajin Branch)
Industrial and Commercial Bank of China Limited
(Jinan Huaiyin Branch)

WEBSITE

www.sdrhwy.cn

STOCK CODE

2455

FINANCIAL SUMMARY

The following is a summary of the results and assets and liabilities of Runhua Living Service Group Holdings Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) for six months ended 30 June 2025 and 30 June 2026, respectively.

RESULTS

	Six months ended 30 June		Changes
	2026 RMB'000	2025 RMB'000	
Revenue	488,597	441,387	10.7%
Gross profit	66,350	62,431	6.3%
Profit before tax	51,304	27,726	85.0%
Income tax expense	(6,274)	(6,007)	4.4%
Profit for the period and total comprehensive income for the period	45,030	21,719	107.3%
Profit and total comprehensive income attributable to: Owners of the parent	45,000	21,723	107.2%

CONSOLIDATED FINANCIAL POSITION

	30 June 2026 RMB'000	31 December 2025 RMB'000	Changes
Total assets	779,251	781,558	-0.3%
Total liabilities	359,032	393,277	-8.7%
Total equity attributable to: Owners of the Company	419,998	388,090	8.2%

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The services provided by the Group can be broadly divided into four business segments by their nature, namely (i) property management services; (ii) property engineering services and landscape construction services; (iii) leasing services from investment properties; and (iv) other services.

During the Reporting Period, 95.9% of the Group's revenue was generated from the property management services. The Group's revenue was mainly generated from non-residential properties, which has achieved outstanding results in the hospital property management services.

Property management services

The Group's commitment to service quality sets a benchmark for high-quality property management in the market, and service quality is the key to achieving customer loyalty and retaining customers.

The Group provides (a) typical property management services, such as (i) cleaning and disinfection services, including regular cleaning and disinfection, waste management, pest control, floor waxing maintenance of public areas of our projects under management and regular greening and horticultural maintenance of green areas of our managed properties; (ii) security services, including 24-hour surveillance, patrols, guards, access control, crowd control, visitor handling, emergency handling and fire drills; (iii) general care and maintenance services, including daily inspection, care and maintenance of facilities and equipment, firefighting facilities and safety signs, hydropower facilities and safety facilities in public areas; and (iv) customer services, including value-added services (including concierge services, guidance services, catering services, housekeeping services, car cleaning services and delivery services), parking lot management services, canteen management services, conference services, elevator operation services and driver services; and (b) hospital central transportation services to provide comprehensive and professional solutions for managing, supporting and optimising the entire operating process of our hospitals.

During the Reporting Period, 95.9% of total revenue was generated from the provision of property management services to customers, of which 94.2% was generated from non-residential properties (such as hospitals, public properties and commercial and other non-residential properties) and the remaining 5.8% was generated from residential properties. As a result, the Group's property management services have been and will continue to strategically focus on non-residential properties in the PRC.

Property engineering services and landscape construction services

The Group offer diversified services to meet the diverse needs of the customers. In most cases, the Group understands the needs of customers for property engineering services and landscape construction services, and provide daily on-site property management services for the customers. Therefore, the Group can contact the customers and introduce business opportunities for the responsible departments of the Group at the first time.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group's property engineering services and landscape construction services include: (i) important maintenance services involving the maintenance, restoration and repair of existing building parts and systems; (ii) interior decoration services, including resurfacing of roofs, renovation of exterior and interior walls, rendering and retiling of floors, concrete spalling and repair works, repair and replacement of existing facilities, painting, varnishing, improvement of firefighting services, plumbing and drainage works; (iii) alterations and additions to the architectural layout and structural engineering; (iv) installing elevators; (v) selling, leasing and planting trees, shrubs, flowers, hedges and saplings; (vi) altering the shape and height of the greening land by leveling, refilling, mounding and laddering; (vii) installation of landscape sprinkler irrigation system, well piping, inspection wells, and water meters and other related equipments; and (viii) provide irrigation, pruning, fertilisation, pest control, weeding and other landscape maintenance works during/after the provision of landscape construction services.

Leasing services from investment properties

In order to create other businesses that provide a source of recurring revenue, the Group acquires and/or rent certain commercial properties located in Jinan, Shandong Province.

The properties have been leased to meet the daily business needs of the customers. As at 30 June 2026, the Group owned 35 owned investment properties and 4 leased investment properties in a commercial building.

Other services

The Group provides auxiliary services for (i) patient care and postpartum care services; and (ii) sale of software support systems developed by the Group and routine server maintenance services.

During the Reporting Period, the Group's revenue was mainly derived from non-residential property management services, and the hospital property management business delivered solid performance. Amid intensified industry competition and pricing pressure on service fees for certain existing projects, the Group is required to continuously optimise its project portfolio, focus on high-margin non-residential business segments and strictly control operating costs so as to maintain overall operational resilience.

FUTURE PROSPECTS

The Group demonstrated strong resilience and growth potential amid a complex and volatile market environment. Looking ahead, the Group will adhere to the strategic pillars of "deepening core strengths, diversifying growth channels, and innovating smart services" to consolidate its industry leadership and create long-term value for shareholders, clients, and society.

In respect of the future development of the Group, the Group plans to (i) build on the established presence in Shandong Province, further penetrate key cities by leveraging mergers and acquisitions, strategic partnerships, and competitive bidding. In view of the PRC's continuous growth in the economy and urbanisation, as well as the expected increase in the number of new properties, both in residential and non-residential, apart from growing the business through organic growth initiatives, the Group plans to increase the market share in cities where the Group has presence in Shandong Province, via acquisitions and business collaboration with business partners, as well as penetrate into the market in other developed neighbouring regions, such as Yangtze River Delta Region and Beijing-Tianjin-Hebei Region, via acquisitions of well-established local property management companies; (ii) prioritize developing value-added service; and (iii) actively expand the property leasing business, focusing on high-quality commercial properties. By leveraging the Group's existing management scale and tenant resources, the Group aims to provide comprehensive asset operation and management services to enhance asset utilization rates and generate stable recurring revenue streams.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE

Revenue

The Group's revenue is mainly generated from four business segments divided by their nature, namely (i) property management services; (ii) property engineering services and landscape construction services; (iii) leasing services from investment properties; and (iv) other services.

The following table sets out a breakdown of revenue by type of services provided during the period shown:

	Six months ended 30 June					
	2026		2025		Growth rate	
	Revenue RMB'000	%	Revenue RMB'000	%		
Property management services	468,506	95.9	415,758	94.2	12.7	
Property engineering services and landscape construction services	8,191	1.7	16,089	3.6	(49.1)	
Leasing services from investment properties	6,611	1.3	8,298	1.9	(20.3)	
Other services	5,289	1.1	1,242	0.3	326.0	
Total	488,597	100.0	441,387	100.0	10.7	

Revenue increased by RMB47.2 million or 10.7% from RMB441.4 million for the six months ended 30 June 2025 to RMB488.6 million for the six months ended 30 June 2026, which was primarily attributable to the growth of the revenue from the property management services from RMB415.8 million for the six months ended 30 June 2025 to RMB468.5 million for the six months ended 30 June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets out a breakdown of revenue from the provision of property management services by type of property under management during the period shown:

	Six months ended 30 June				
	2026		2025		Growth rate
	Revenue RMB'000	%	Revenue RMB'000	%	
Hospitals	214,387	45.7	196,601	47.3	9.0
Public Properties	141,890	30.3	120,944	29.1	17.3
Commercial and other non-residential properties	85,225	18.2	73,325	17.6	16.2
Residential Properties	27,004	5.8	24,888	6.0	8.5
Total	468,506	100.0	415,758	100.0	12.7

Revenue increased by RMB52.7 million or 12.7% from RMB415.8 million for the six months ended 30 June 2025 to RMB468.5 million for the six months ended 30 June 2026. The growth in property management revenue was mainly due to a rise in the number of projects in public and hospital properties, while the increase in managed projects came from the Group continuously expanding its business and diversifying its property management portfolio.

Service Costs

The Group's cost of services primarily includes staff costs, subcontracting costs, material and consumables and other cost of services. The cost of services of the Group increased by 11.4% from RMB379.0 million for the six months ended 30 June 2025 to RMB422.2 million for the six months ended 30 June 2026. The increase was primarily attributable to the deployment of frontline employees and engagement of subcontractors for new property management projects, consistent with the revenue growth recorded during the Reporting Period.

MANAGEMENT DISCUSSION AND ANALYSIS

Gross Profit and Gross Profit Margin

The gross profit of the Group increased by RMB3.9 million or 6.3% from RMB62.4 million for the six months ended 30 June 2025 to RMB66.4 million for the six months ended 30 June 2026.

The following table sets out a breakdown of gross profit and gross profit margin by business segments during the period shown:

	Six months ended 30 June			
	2026		2025	
	Gross profit RMB'000	Gross profit margin %	Gross profit RMB'000	Gross profit margin %
Property management services	61,075	13.0	55,681	13.4
Property engineering services and landscape construction services	1,087	13.3	3,331	20.7
Leasing services from investment properties	1,617	24.5	3,270	39.4
Other services	2,571	48.6	149	12.0
Total	66,350	13.6	62,431	14.1

For the six months ended 30 June 2026, the Group's gross profit margin decreased by 0.5 percentage points compared with the same period last year. This was mainly due to a decline in the gross profit margin from leasing services in property investments.

The gross profit margin of property management services decreased by 0.4 percentage points, remaining basically unchanged from the same period during 2025.

The gross profit margin of property engineering services and landscape construction services decreased by 7.4 percentage points, mainly attributable to the higher-margin large-scale engineering projects newly added in 2025.

The gross profit margin of leasing services from investment properties fell by 14.9 percentage points, primarily driven by lower occupancy rates and rental prices of the Group's core leasing project.

The gross profit margin of other services rose by 36.6 percentage points, mainly due to a newly awarded hospital property consulting contract with a relatively high profit margin recognised in the Reporting Period.

MANAGEMENT DISCUSSION AND ANALYSIS

Other Income and Gains and Expenses, Net

Other income and gains and expenses, net mainly include government grants and bank interest income. The net balance swung to a loss of RMB0.2 million for the six months ended 30 June 2026 from a net gain of RMB5.7 million for the corresponding period in 2025, representing a negative movement of RMB5.9 million, primarily due to a significant reduction in government grants received during the period.

Sales and Distribution Expenses

Sales and distribution expenses decreased from RMB735 thousand for the six months ended 30 June 2025 to nil for the six months ended 30 June 2026, mainly due to the reduction in selling expenses.

Administrative Expenses

Administrative expenses decreased by RMB0.9 million or 2.4% from RMB35.8 million for the six months ended 30 June 2025 to RMB34.9 million for the six months ended 30 June 2026.

Financial Costs

Financial costs decreased by RMB0.2 million or 3.8% from RMB4.5 million for the six months ended 30 June 2025 to RMB4.3 million for the six months ended 30 June 2026.

Share of Profit of Associates

Share of profit of associates increased by RMB780 thousand or 138.3% from RMB564 thousand for the six months ended 30 June 2025 to RMB1.3 million for the Reporting Period mainly due to the increase of net profit from an associate.

Income Tax Expense and Effective Tax Rate

Income tax expenses increased by RMB0.3 million or 4.4% from RMB6.0 million for the six months ended 30 June 2025 to RMB6.3 million for the six months ended 30 June 2026.

Under the EIT Law and Implementation Regulation of the EIT Law, the enterprise income tax rate of the Group's PRC subsidiaries is 25%, unless subject to tax reduction or exemption. The effective tax rates for the six months ended 30 June 2025 and 2026 were 21.7% and 12.2%, respectively.

Profit and Net Profit Margin for the Period

As a result of the foregoing, the net profit increased by RMB23.3 million or 107.33% from RMB21.7 million for the six months ended 30 June 2025 to RMB45.0 million for the six months ended 30 June 2026, and the net profit margin increased from 4.9% for the six months ended 30 June 2025 to 9.2% for the six months ended 30 June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

Property and Equipment

The property and equipment of the Group mainly includes buildings, electronic equipment, furniture, fixtures, and equipment. As at 30 June 2026, the Group's property, plant and equipment amounted to RMB18.1 million, representing a decrease of RMB2.9 million compared with RMB21.0 million as at 31 December 2025, mainly attributable to the depreciation charged for the current period.

Investment Properties

Investment properties mainly refer to commercial properties located in China, which have been or are intended to be leased or subleased to third parties under operating leases for the provision of the property leasing services. The investment properties decreased from RMB53.6 million as at 31 December 2025 to RMB19.2 million as at 30 June 2026. The decrease was mainly attributable to the disposal of Shandong Qiantai Commercial Management Co., Ltd. ("**Qiantai Company**") during the Reporting Period, resulting in a reduction of RMB32.19 million in respect of the investment property of Qiantai Building.

Investments in Associates

The investments in associates primarily represents the Group's 41% interests in Tianjin Tianfu Property Management Co., Ltd.* (天津天孚物業管理有限公司) ("**Tianjin Tianfu**"), which is a property management company located in Tianjin and the Group recorded the investments in associates of RMB149.7 million as at 30 June 2026.

Trade and Bill Receivables

Trade receivables mainly consist of fees receivable for property management services, property engineering services and landscape construction services. As at 30 June 2026, the Group's trade receivables amounted to RMB298.8 million, representing an increase of RMB26.4 million or 9.7% compared to RMB272.4 million as at 31 December 2025, primarily as a result of the business growth of property management services to hospitals and public properties, which require a longer settlement period.

Prepayments and Other Receivables

Prepayments and other receivables include prepayments to suppliers, deposits, other receivables. Prepayments and other receivables increased from RMB34.1 million as at 31 December 2025 to RMB68.2 million as at 30 June 2026. The increase was mainly attributable to a RMB46.8 million rise in other receivables, mainly due to the non-offsetting of other receivables arising from the disposal of Qiantai Company during the Reporting Period.

Trade Payables

As at 30 June 2026, the Group's trade payables amounted to RMB60.5 million, a decrease of RMB22 million or 26.7% compared to RMB82.5 million as at 31 December 2025.

Other Payables and Accruals

Other payables and accruals increased from RMB102.2 million as at 31 December 2025 to RMB124.5 million as at 30 June 2026. The increase was mainly attributable to newly-awarded and renewed contracts in the first half of 2026 which had not yet been fully performed.

MANAGEMENT DISCUSSION AND ANALYSIS

Liquidity, Financial Resources and Capital Structure

As at 30 June 2026, the Group's cash and cash equivalents amounted to RMB148.1 million (of which RMB22.6 million (31 December 2025: RMB24.9 million) is denominated in HKD and the rest in RMB) (31 December 2025: RMB83.2 million).

Total interest-bearing bank loans and other borrowings decreased from RMB157.4 million as at 31 December 2025 to RMB156.6 million as at 30 June 2026. As at 30 June 2026, interest-bearing bank borrowings amounting to (i) RMB11.1 million (2025: nil), bearing interest at an annual rate of 4.65% and repayable within one year; (ii) RMB16.0 million (2025: RMB17.0 million), bearing interest at an annual rate of 5.67% (2025: 5.67%) and repayable within one year; (iii) RMB10.0 million (2025: RMB20.0 million), bearing interest at an annual rate of 3.3% (2025: 3.3%) and repayable within one year; (iv) RMB9.2 million (2025: RMB9.5 million), bearing interest at an annual rate of 5.4% (2025: 5.4%) and repayable within one year; (v) RMB9.4 million (2025: RMB9.7 million), bearing interest at an annual rate of 4.5% (2025: 4.5%) and repayable within one year; (vi) RMB26.8 million (2025: RMB36.9 million), bearing interest at an annual rate of 3.4% (2025: 3.4%) and repayable within two years; (vii) Newly-added during the current period: RMB30.0 million, bearing interest at an annual rate of 4.0% and repayable within one year; (viii) Newly-added during the current period: RMB10.0 million, bearing interest at an annual rate of 4.25% and repayable within one year; (ix) Newly-added during the current period: RMB10.0 million, bearing interest at an annual rate of 3.9% and repayable within one year; (x) Newly-added during the current period: RMB17.0 million, bearing interest at an annual rate of 4.0% and repayable within three years; (xi) Newly-added during the current period: RMB5.0 million, bearing interest at an annual rate of 3.6% and repayable within one year; (xii) Newly-added during the current period: RMB2.1 million, bearing interest at an annual rate of 3.55% and repayable within one year. As at 30 June 2026, the gearing ratio (total interest-bearing borrowings divided by total equity) was approximately 37.3% (31 December 2025: 40.5%). As at 30 June 2026, the current ratio (total current assets divided by total current liabilities) was 2.0 (31 December 2025: 1.5).

The Group finances its working capital requirements through a combination of funds generated from operations and alternative funding resources from equity and debt. The Group did not carry out any interest rate hedging policy.

The share capital of the Company consists only of ordinary shares. As at the date of this report, the issued share capital of the Company is USD30,000, including 300,000,000 shares with a par value of USD0.0001 per share.

Capital Expenditure and Commitment

The Group's capital expenditure for the six months ended 30 June 2026 mainly included expenditure on property and equipment, and investment properties, amounting to a total of RMB1.2 million (for the six months ended 30 June 2025: RMB2.1 million).

As at 30 June 2026, the Group had capital expenditure amounted to RMB40,000,000 contracted for but not provided in the unaudited condensed consolidated financial statements in respect of acquisition of investment properties (31 December 2025: Nil).

Contingent Liabilities

As at 30 June 2026, the Group had no any significant contingent liabilities (31 December 2025: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Cash Flow

For the six months ended 30 June 2026, the net cash used in operating activities was RMB5.1 million, mainly due to an increase in trade receivables and prepayments and other receivables. For the six months ended 30 June 2026, the net cash from investing activities was RMB79.7 million. This mainly represents the refund of deposit for the acquisition of investment property. For the six months ended 30 June 2026, the net cash used in financing activities was RMB8.9 million, mainly due to an increase of interest-bearing bank borrowings.

Pledge of Assets

As at 30 June 2026, certificates of deposit of RMB4.0 million owned by the Group were pledged as security for bank loans of RMB16.0 million with an interest rate of 5.67% and repayable within one year (31 December 2025: certificates of deposit of RMB4.0 million owned by the Group were pledged as security for bank loans of RMB17.0 million (bearing interest at 5.67% per annum and repayable within two years)). As at 30 June 2026, certificates of deposit of RMB30.0 million owned by the Group were pledged as security for bank loans of RMB26.8 million with an interest rate of 3.4% and repayable within two years. As at 31 December 2025, certificates of deposit of RMB30.0 million owned by the Group were pledged as security for bank loans of RMB26.8 million with an interest rate of 3.4% and repayable within three years.

Foreign Exchange Risk

The Group operates its business primarily in the PRC. RMB is the currency used by the Group for valuation and settlement of all transactions. Any depreciation of RMB would adversely affect the value of any dividends paid by the Group to shareholders outside the PRC. Majority of the Group's cash and cash equivalents is denominated in RMB. As at 30 June 2026, except for cash and cash equivalents denominated in foreign currencies, the Group did not have significant foreign currency exposure from its operations. The Group is currently not engaged in hedging activities that are designed or intended to manage foreign exchange rate risk. The Group will continue to monitor foreign exchange activities and make its best efforts to protect the cash value of the Group.

Treasury Policy

The Group has adopted a prudent financial management approach towards its treasury policy and thus maintained a healthy liquidity position for the Reporting Period. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

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

Save for what is set out below, as at 30 June 2026, the Group had no significant acquisitions or disposals of subsidiaries, associates and joint ventures (including significant investments accounting for 5% or more of the Group's total assets).

MANAGEMENT DISCUSSION AND ANALYSIS

On 19 May 2026, Shandong Runhua Property Management Co., Ltd. ("**Shandong Runhua**"), an indirect wholly-owned subsidiary of the Company, entered into an equity transfer agreement with independent third parties, namely Shandong Zhike Property Management Co., Ltd. and Shandong Xinyuexuan Care Service Co., Ltd.. Pursuant to the agreement, Shandong Runhua has agreed to dispose of its entire 100% equity interest in Qiantai Company for a cash consideration of RMB5 million. The transaction gave rise to a gain on disposal of a subsidiary of RMB23.0 million, which reflected the reclassification of the accumulated reserves previously recognised in the Group's consolidated equity to profit or loss upon loss of control over Qiantai Company.

FUTURE PLANS FOR MAJOR INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the section headed "Use of Proceeds from the Global Offering" in this report, the Group did not have any other immediate plans for material investment and capital assets as of the date of this report. The Group may look into business and investment opportunities in different business areas and consider whether any asset or business acquisitions, restructuring or diversification may become appropriate in order to improve its long-term competitiveness.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The Company's shares were listed on the Main Board of the Stock Exchange on 17 January 2023 (the "**Listing Date**"). The Company received net proceeds (after deduction of underwriting commissions and related costs and expenses) from the Global Offering of approximately HK\$89.9 million (the "**Net Proceeds**"). As at 1 January 2026, the unutilized amount of the net proceeds was approximately HK\$64.5 million.

The net proceeds from the Listing intended to be applied in accordance with the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated 30 December 2022. On 31 December 2025, the Board resolved to change the use of the unutilized net proceeds. For details, please refer to the announcement of the Company dated 31 December 2025. The proceeds were used according to the intentions previously disclosed during the Reporting Period.

MANAGEMENT DISCUSSION AND ANALYSIS

Set out below are details of the reallocation of the net proceeds, and the unutilized amount of the net proceeds up to 30 June 2026.

Planned use of net proceeds	Unutilized amount as at 1 January 2026 HK\$ million (approximately)	Utilized amount during the Reporting Period HK\$ million (approximately)	Unutilized amount as at 30 June 2026 HK\$ million (approximately)	Expected timeline for all balances to be used up
Strategic investments and acquisitions to expand property management business	N/A	N/A	N/A	
Exploring potential investment opportunities, including strategic cooperation, acquisitions, increasing the capital of the subsidiaries, and establishing new subsidiaries for the purpose of expanding the Company's business scope and scale	20.0	3.0	17.0	By the end of 2028
Developing, strengthening and implementing the information technologies	15.0	1.4	13.6	By the end of 2028
Improving staff motivation mechanism to attract, cultivate and retain talents	16.0	1.0	15.0	By the end of 2028
Expanding business in different regions	13.5	–	13.5	By the end of 2028
	64.5	5.4	59.1	

The Board will continuously assess the plan for the use of the unutilised net proceeds and may revise or amend such plan where necessary to cope with the changing market conditions and strive for better business performance of the Group. For further details, please refer to the announcements of the Company dated 31 December 2025 and 21 January 2026.

EMPLOYEE AND COMPENSATION POLICY

As at 30 June 2026, the Group employed 15,359 employees (31 December 2025: 12,900). The Group also engages subcontractors to provide labor-intensive work, such as general cleaning and security services. There is no fixed term for the employment contract, or if there is a fixed term, the term generally does not exceed five years, after which the Group assesses whether to renew the contract based on performance evaluation. All full-time employees are paid a fixed salary and other allowances depending on their position. In addition, employees will also be given discretionary bonuses based on their performance. The Group conducts regular performance evaluations to ensure that employees receive feedback according to their performance.

For the six months ended 30 June 2026, the total employee costs (including salaries, other employee benefits, and retirement plan contributions for directors and other employees of the Group) were RMB314 million (for the six months ended 30 June 2025: RMB227 million). The increase in employee costs is mainly due to the increase in the number of front-line staff, which is consistent with the business growth in the first half of 2026.

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board and the management of the Group are committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company and to enhance corporate value and accountability of the Company.

Throughout the Reporting Period, the Company has adopted and complied with all applicable code provisions under the Corporate Governance Code in Appendix C1 to the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange (the “**Listing Rules**”).

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set forth in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions of the Directors, senior management members, and employees who, because of his/her office or employment, is likely to possess inside information in relation to the Group or the Company’s securities.

The Company had made specific enquiry to all Directors and all Directors confirmed that they have complied with the Model Code during the Reporting Period and up to the date of this report. In addition, the Company is not aware of any non-compliance of the Model Code by the senior management members or relevant employees of the Group during the Reporting Period and up to the date of this report.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares (as defined in the Listing Rules)) during the Reporting Period and up to the date of this report. The Company did not hold any treasury shares as of 30 June 2026.

MATERIAL LEGAL PROCEEDINGS

During the Reporting Period and up to the date of this report, the Company was not involved in any material legal proceeding or arbitration. To the best knowledge of the Directors, as at the date of this report, there is no material legal proceeding or claim which is pending or threatened against the Company.

PUBLIC FLOAT

Based on the information publicly available to the Company and to the best knowledge of the Directors, the Company has maintained sufficient public float as required by the Listing Rules during the Reporting Period and up to the date of this report. The Company maintained the minimum level of public float of 25% of its total issued share capital.

CORPORATE GOVERNANCE AND OTHER INFORMATION

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The audit committee of the Company (the “**Audit Committee**”) is currently composed of two independent non-executive Directors (namely, Ms. Wang Yushuang and Ms. Bao Ying) and one non-executive Director (namely, Mr. Cheng Xin). Ms. Wang Yushuang is the chairlady of the Audit Committee and holds the appropriate professional qualifications as required by Rules 3.10(2) and 3.21 of the Listing Rules.

The unaudited interim results of the Group for the six months ended 30 June 2026 have been reviewed by the Audit Committee and management. The Audit Committee is of the view that such results comply with applicable accounting standards, Listing Rules, and other applicable legal requirements, and has made sufficient disclosure.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility to ensure that sound risk management and internal control system is established and maintained within the Group, as well as its responsibility to review its effectiveness. Such system aims to manage and reduce the business risks faced by the Group to an acceptable extent, but not eliminating the risks of failure to achieve business objectives. Moreover, it can only provide reasonable, and not absolute, assurance against material misstatement, loss or fraud. The Company has established risk management procedures which comprise the following process:

- Risk identification: identify major and significant risks that could affect the achievement of goals of the Group;
- Risk evaluation and assessment: assess and evaluate the identified risk according to its likely impact and the likelihood of occurrence; and
- Risk management and mitigation: develop effective control activities to mitigate the risks.

In particular, procedures have been designed for safeguarding assets against unauthorised use or disposition, ensuring the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensuring compliance of applicable laws, rules and regulations. Risk identification and management is the responsibility of the management of the Group. As at 30 June 2026, no significant internal control deficiencies or major areas of concern have been identified.

The Board has authorised the Audit Committee to take charge of the on-going monitoring of the Group’s risk management and internal control system, as well as the annual review of its effectiveness. Such review covers all material control aspects, including financial control, operation control, and compliance control.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Group's internal control system includes a well-established organisational structure with clearly defined lines of responsibility and authority. The day-to-day departmental operations are entrusted to individual department which is accountable for its own conduct and performance and is required to operate its own department's business within the scope of the delegated authority and to implement and strictly adhere to the strategies and policies set by the Company from time to time. Each department is also required to keep the Board informed of material developments of the department's business and implementation of the policies and strategies set by the Board on a regular basis. All departments conduct internal control assessment annually to identify potential risks that may impact the business operation of the Group. Self-evaluation has been conducted by checking key operational and financial processes, regulatory compliance, and information security. An internal audit department has been established to conduct risk management and internal audit of the Group. It performs risk-based audits to review the effectiveness of the Group's risk management and internal control systems so as to provide assurance that key business and operational risks are identified and managed. The work carried out by the internal audit department reports to the Audit Committee with its findings and makes recommendations at least twice a year.

During the Reporting Period, in connection with the Listing, the Board has reviewed the effectiveness of the Group's internal control and risk management systems and received the confirmation from the management in respect of the effectiveness of the Group's internal control and risk management systems to ensure that a sound system is maintained and operated by the management in compliance with the agreed procedures and standards. Accordingly, the Company considers the systems are effective and adequate. The review covered all material controls, including financial, operational and compliance controls and risk management functions. The management of the Company actively monitors the regional economy, trend of property management services industry, reliance on continuing connected transactions and changes in applicable laws and regulations, and assesses income and expenditure and absorptive capacity of business expansions. The recommendations submitted by independent consultant have been accepted by the Company and implemented in stages, to further enhance the policies, procedures and practices of its internal control and risk management.

INTERIM DIVIDEND

The Board resolved not to declare any interim dividend for the six months ended 30 June 2026.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

During the Reporting Period, Shandong Runhua Property Management Co., Ltd., an indirectly wholly-owned subsidiary, entered into a property purchase agreement with Shandong Diping Tianyu Real Estate Co., Ltd., a company wholly owned by Mr. Luan Hangqian (a controlling shareholder), to acquire a commercial property in Jinan for RMB40.0 million. The acquisition is expected to be completed by mid-September 2026. Please refer to the announcements dated 22 June 2026 and 17 July 2026 for more details.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DISCLOSURE OF INTERESTS

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or its Associated Corporations

As at 30 June 2026, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) which were required to be entered in the register kept by the Company pursuant to section 352 of the SFO, or which were otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code under the Listing Rules, are set out below:

Director	Nature of interests	Number of issued Shares held	Percentage of interest
Mr. Luan Tao ⁽²⁾	Interest held jointly with another person	164,706,700	54.90%
Mr. Luan Hangqian ⁽²⁾	Founder of a discretionary trust who can influence how the trustee exercises his discretion	164,706,700	54.90%
Mr. Yang Liquan ⁽³⁾	Interest in a controlled corporation	9,467,821	3.16%
Ms. Chen Jie ⁽⁴⁾	Interest in a controlled corporation	1,782,178	0.59%
Mr. Cheng Xin ⁽⁵⁾	Interest in a controlled corporation	5,569,306	1.86%

Notes:

- All the interests disclosed above represent long positions in the Shares.
- On 14 October 2024, Mr. Luan Hangqian informed that the transactions in relation to the establishment of an irrevocable discretionary family trust were completed. In which, Mr. Luan Hangqian is as the settlor for the benefit of Mr. Luan Hangqian, Mr. Luan Tao, Ms. Liang Yuefeng and the other close relatives of Mr. Luan Hangqian.

As 164,706,700 Shares (representing approximately 54.90% of the total number of the Shares) which were previously owned by Springrain Investment Limited have been transferred to Skywind Investment Limited, Skywind Investment Limited is owned as to 1% by Springrain Investment Limited and 99% by Sailing Investment International Limited while Sailing Investment International Limited is wholly owned by the CMB Wing Lung (Trustee) Limited as trustee of the trust. Mr. Luan Hangqian is also the sole director of Skywind Investment Limited. Mr. Luan Hangqian is deemed to be interested in the 164,706,700 Shares where Skywind Investment Limited is interested in under the SFO.

Pursuant to the concert parties confirmatory deed dated 18 June 2021, and entered into by Mr. Luan Hangqian, Mr. Luan Tao and Ms. Liang Yuefeng to acknowledge and reaffirm, amongst other things, that they were parties acting in concert in respect of the Company. As such, pursuant to the parties acting in concert arrangement, Mr. Luan Tao, Mr. Luan Hangqian and Ms. Liang Yuefeng are deemed to be interested in approximately 54.90% of the issued share capital of the Company.

CORPORATE GOVERNANCE AND OTHER INFORMATION

3. Shares in which Mr. Yang Liqun is interested consist of 9,467,821 Shares held by Yangliqun Ltd, a company wholly-owned by Mr. Yang Liqun, in which Mr. Yang Liqun is deemed to be interested under the SFO.
4. Shares in which Ms. Chen Jie is interested consist of 1,782,178 Shares held by Chenjie&Anne Ltd, a company wholly-owned by Ms. Chen Jie, in which Ms. Chen Jie is deemed to be interested under the SFO.
5. Shares in which Mr. Cheng Xin is interested consist of 5,569,306 Shares held by Chengxin&Susan Ltd, a company wholly-owned by Mr. Cheng Xin, in which Mr. Cheng Xin is deemed to be interested under the SFO.

Save as disclosed above, as at 30 June 2026, none of the Directors and chief executives of the Company had any interests or short positions in the Shares, underlying Shares and debentures of the Company or its associated corporations, which (a) were recorded in the register required to be kept by the Company under section 352 of the SFO, or (b) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

So far as is known to the Company, as at 30 June 2026, as recorded in the register required to be kept by the Company under section 336 of the SFO, the following persons, other than a Director or chief executive of the Company, had an interest of 5% or more in the Shares or underlying Shares:

Director	Nature of interests	Number of issued Shares held	Percentage of interest
Ms. Liang Yuefeng ⁽²⁾	Interest held jointly with another person	164,706,700	54.90%
Skywind Investment ⁽²⁾	Beneficial owner	164,706,700	54.90%
Sailing Investment International Limited ⁽²⁾	Interest in a controlled corporation	164,706,700	54.90%
CMB Wing Lung (Trustee) Limited ⁽²⁾	Trustee	164,706,700	54.90%
Jinan Huaiyin Urban Construction Investment Group Co., Ltd.* (濟南槐蔭城市建設投資集團有限公司) ⁽³⁾	Beneficial owner	25,178,000	8.39%

* For identification purpose only

CORPORATE GOVERNANCE AND OTHER INFORMATION

Notes:

1. All the interests disclosed above represent long positions in the Shares.
2. On 14 October 2024, Mr. Luan Hangqian informed that the transactions in relation to the establishment of an irrevocable discretionary family trust were completed. In which, Mr. Luan Hangqian is as the settlor for the benefit of Mr. Luan Hangqian, Mr. Luan Tao, Ms. Liang Yuefeng and the other close relatives of Mr. Luan Hangqian.

As 164,706,700 Shares (representing approximately 54.90% of the total number of the Shares) which were previously owned by Springrain Investment Limited have been transferred to Skywind Investment Limited, Skywind Investment Limited is owned as to 1% by Springrain Investment Limited and 99% by Sailing Investment International Limited while Sailing Investment International Limited is wholly owned by the CMB Wing Lung (Trustee) Limited as trustee of the trust. Mr. Luan Hangqian is also the sole director of Skywind Investment Limited. Mr. Luan Hangqian is deemed to be interested in the 164,706,700 Shares where Skywind Investment Limited is interested in under the SFO.

Pursuant to the concert parties confirmatory deed dated 18 June 2021, and entered into by Mr. Luan Hangqian, Mr. Luan Tao and Ms. Liang Yuefeng to acknowledge and reaffirm, amongst other things, that they were parties acting in concert in respect of the Company. As such, pursuant to the parties acting in concert arrangement, Mr. Luan Tao, Mr. Luan Hangqian and Ms. Liang Yuefeng are deemed to be interested in approximately 54.90% of the issued share capital of the Company.

3. Jinan Huaiyin Urban Construction Investment Group Co., Ltd.* (濟南槐蔭城市建設投資集團有限公司) is wholly-owned by Development and Reform Bureau of Huaiyin District, Jinan City* (濟南市槐蔭區發展和改革局).

Save as disclosed above, as at 30 June 2026, the Company had not been notified of any persons (other than a Director or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares that were recorded in the register required to be kept under section 336 of the SFO.

SHARE INCENTIVE SCHEMES

Post-IPO Share Option Scheme

The Company adopted a share option scheme through written shareholders' resolution on 14 December 2022 (the "**Post-IPO Share Option Scheme**"). The Post-IPO Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date on which the Post-IPO Share Option Scheme is adopted and shall expire at the close of business on the business day immediately preceding the tenth anniversary thereof unless being terminated earlier by the Shareholders in general meeting. Accordingly, as at the date of this interim report, the remaining life of the Post-IPO Share Option Scheme is approximately six years and three months.

Purpose

The purpose of the Post-IPO Share Option Scheme is to provide an incentive or reward for the grantees for their contribution or potential contribution to the Group.

Selected Participants

The Directors (which expression shall, for the purpose of this paragraph, include the Board or a duly authorised committee thereof) may, at their absolute discretion, invite (i) any director and employee of any member of the Group; and (ii) any director or employee of any of the holding companies, fellow subsidiaries or associated companies of the Company (the "**Participant**"), who the Board considers, in its sole discretion, have contributed or will contribute to the development and growth of the Group, to take up options to subscribe for Shares.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Maximum Number of the Shares

The maximum number of Shares in respect of which options and awards may be granted under the Post-IPO Share Option Scheme and any other schemes of the Company shall not in aggregate exceed the number of Shares that shall represent 10% of the total number of Shares in issue immediately upon completion of the Global Offering and the capitalisation issue, which is 30,000,000 Shares, representing 10% of the total number of Shares in issue as at the date of this report.

Maximum Entitlement of a Participant

Where any further grant of options to a Participant, if exercised in full, would result in the total number of Shares already issued or to be issued upon exercise of all options (including exercised, cancelled and outstanding options) or awards granted and to be granted to such Participant in any twelve (12) months period up to and including the date of such further grant exceed 1% of the total number of Shares in issue, such further grant must be separately approved by the Shareholders in general meeting with such Participant and his close associates (or associates if the Grantee is a connected person) abstaining from voting.

Exercise price

The price per Share at which a Participant may subscribe for Shares upon exercise of an option (the “**Exercise Price**”) shall be determined by the Board in its sole discretion but in any event shall be at least the highest of:

- (i) the official closing price of the Shares as stated in the Stock Exchange’s daily quotations sheets on the date of the offer of grant, which must be a business day;
- (ii) the average of the official closing prices of the Shares as stated in the Stock Exchange’s daily quotation sheets for the five business days immediately preceding the date of the offer of grant; and
- (iii) the nominal value of a Share; provided that for the purpose of determining the Exercise Price under sub-paragraph (ii) above where the Shares have been listed on the Stock Exchange for less than five Business Days preceding the date on which the option is offered to the Participant, the issue price of the Shares in connection with such listing shall be deemed to be the closing price of the Shares for each Business Day falling within the period before the listing of the Shares on the Stock Exchange.

A nominal consideration of HK\$1.00 is payable upon acceptance of the grant of an option.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Time of vesting and exercise of options

An offer made to a participant shall remain open for acceptance by such participant for a period of five business days from the offer date (inclusive of the offer date). Any offer must be accepted in its entirety and can under no circumstances be accepted of less than the number of Shares for which it is offered.

An option may be exercised in accordance with the terms of the Post-IPO Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on a day after the date upon which the offer for the grant of options is made but shall end in any event not later than 10 years from the date on which an option is offered to a participant, subject to the provisions for early termination under the Post-IPO Share Option Scheme. In any event, the minimum period for which an option must be held before it can be exercised shall be 12 months.

Grant of Options

An offer shall be made to an Eligible Participant by an offer document in such form as the Board may from time to time determine (the **"Offer Document"**), requiring the participant to undertake to hold the option on the terms on which it is to be granted and to be bound by the provisions of the Post-IPO Share Option Scheme.

An option shall be deemed to have been granted to (subject to certain restrictions in the Post-IPO Share Option Scheme), and accepted by, the Participant and to have taken effect upon the issue of an option certificate after the duplicate Offer Document comprising acceptance of the option duly signed by the Participant, together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant of the option is received by the Company on or before the last day for acceptance set out in the Offer Document. The remittance is not in any circumstances refundable and shall be deemed as part payment of the Exercise Price. Once accepted, the option is granted as from the date on which it was offered to the Grantee.

No Options Granted under the Post-IPO Share Option Scheme

Between the Listing Date and up to the date of this report, no share options had been granted, exercised, cancelled or lapsed pursuant to the Post-IPO Share Option Scheme since its adoption and there is no outstanding share option under the Post-IPO Share Option Scheme. As at 1 January 2026 and 30 June 2026, the number of options available for grant under the Post-IPO Share Option Scheme were 30,000,000.

For details of the Post-IPO Share Option Scheme, please refer to the section headed "Statutory and General Information – D. Share Incentive Scheme – I. Post-IPO Share Option Scheme" in the Appendix V to the Prospectus.

During the Reporting Period, no Share may be issued in respect of options granted under the Post-IPO Share Option Scheme. Accordingly, the number of Shares that may be issued in respect of the options granted under the Post-IPO Share Option Scheme during the Reporting Period divided by weighted average number of Shares in issue for the Reporting Period is nil.

INTERIM CONDENSED CONSOLIDATED PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME STATEMENT

For the six months ended 30 June 2026

	Notes	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
REVENUE	4	488,597	441,387
Cost of services		(422,247)	(378,956)
Gross profit		66,350	62,431
Other income and gains and expenses, net	4	(236)	5,681
Sales and distribution expense		–	(735)
Administrative expense		(34,908)	(35,759)
Finance costs	6	(4,284)	(4,456)
Share of profit of associates		1,344	564
Gain on disposal of a subsidiary		23,038	–
PROFIT BEFORE TAX	5	51,304	27,726
Income tax expense	7	(6,274)	(6,007)
PROFIT FOR THE PERIOD AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		45,030	21,719
PROFIT AND TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Owners of the parent		45,000	21,723
Non-controlling interests		30	(4)
		45,030	21,719
EARNINGS PER SHARE			
Basic and diluted	9	RMB0.15	RMB0.07

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
NON-CURRENT ASSETS			
Property and equipment	10	18,148	21,036
Investment properties	11	19,178	53,629
Other intangible assets		1,457	1,436
Investments in associates		149,660	148,316
Other receivables		15,000	97,300
Deferred tax asset		2,321	11,029
TOTAL NON-CURRENT ASSETS		205,764	332,746
CURRENT ASSETS			
Inventories		570	124
Trade and bill receivables	13	298,790	272,433
Contract assets		21,938	23,744
Prepayments and other receivables		68,243	34,126
Restricted deposits		35,895	35,201
Cash and cash equivalents	14	148,051	83,184
TOTAL CURRENT ASSETS		573,487	448,812
CURRENT LIABILITIES			
Trade payables	15	60,492	82,488
Other payables and accruals		124,469	102,214
Interest-bearing borrowings		96,481	86,481
Lease liabilities	12	941	17,498
Tax payable		11,199	15,234
TOTAL CURRENT LIABILITIES		293,582	303,915
NET CURRENT ASSETS		279,905	144,897
TOTAL ASSETS LESS CURRENT LIABILITIES		485,669	477,643

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
NON-CURRENT LIABILITIES			
Interest-bearing borrowings		60,150	70,900
Lease liabilities	12	1,661	16,254
Deferred tax liabilities		3,639	2,208
TOTAL NON-CURRENT LIABILITIES		65,450	89,362
NET ASSETS		420,219	388,281
EQUITY			
Share capital	16	205	205
Reserves		419,793	387,885
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		419,998	388,090
NON-CONTROLLING INTERESTS		221	191
TOTAL EQUITY		420,219	388,281

Yang Liqun
Director

Chen Jie
Director

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

Equity attributable to owners of the parent													
	Shares		Stock			Stock		Stock		Non-			
	planned to	be held by	restricted	premium	based	payment	reserve*	Merge	Statutory	Retained	Other	Total	equity
	Share	capital	stock	reserve*	reserve*	reserve*	reserve*	reserve*	reserve*	earnings*	reserves*	equity	
	RMB'000	RMB'000	units*	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Note 16)												
On 1 January 2026 (Audited)	205	(1,200)	98,211	14,933	31,214	22,911	221,397	419	388,090	191	388,281		
Profit for the period	-	-	-	-	-	-	45,000	-	45,000	30	45,030		
Total comprehensive income for the period	-	-	-	-	-	-	45,000	-	45,000	30	45,030		
Equity-settled share-based compensation	-	-	-	(64)	-	-	-	-	(64)	-	(64)		
Dividends declared for the period	-	-	-	-	-	-	(13,028)	-	(13,028)	-	(13,028)		
On 30 June 2026 (Unaudited)	205	(1,200)	98,211	14,869	31,214	22,911	253,369	419	419,998	221	420,219		

(Note 16)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Equity attributable to owners of the parent								Non-controlling interests	Total equity
	Share capital	Shares planned to be held by restricted stock units*	Stock premium reserve*	Stock based payment reserve*	Merge reserve*	Statutory reserve*	Retained earnings*	Other reserves*		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Note 16)									
On 1 January 2025 (Audited)	205	(1,200)	98,211	12,761	31,214	22,651	188,881	419	353,142	353,337
Profit for the period	-	-	-	-	-	-	21,723	-	21,723	21,719
Total comprehensive income (expense) for the period	-	-	-	-	-	-	21,723	-	21,723	21,719
Equity-settled share-based compensation	-	-	-	262	-	-	-	-	262	262
On 30 June 2025 (Unaudited)	205	(1,200)	98,211	13,023	31,214	22,651	210,604	419	375,127	375,318

* These reserve accounts comprise the consolidated reserves of RMB419,793,000.00 (2025: RMB374,922,000.00) in the interim condensed consolidated statement of financial position.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

		30 June 2026 (Unaudited) RMB'000	30 June 2025 (Unaudited) RMB'000
	Notes		
OPERATING ACTIVITIES			
Profit before tax		51,304	27,726
Adjustments for:			
Finance costs	6	4,284	4,456
Share of profit of an associate		(1,344)	(564)
Fair value gains on financial assets at fair value through profit or loss ("FVTPL")			
Bank interest income	4	(11)	(135)
Interest income from financial assets	4	–	(36)
Depreciation of property and equipment	5	2,351	2,710
Depreciation of investment properties	5	8,097	9,428
Amortisation of other intangible assets	5	199	199
Provision for (reversal of) impairment of trade receivables	5	765	(312)
Equity-settled share award expenses	5	(64)	262
Foreign exchange difference, net	4	846	272
Gain on disposal of a subsidiary		23,038	–
Operating cash flows before movements in working capital		89,465	44,006
Decrease (increase) in restricted deposits		694	(1,064)
Increase in contract assets		1,806	7,389
Increase in inventories		(446)	(437)
Increase in trade receivables		(25,364)	(49,596)
Increase in prepayments and other receivables		(35,582)	(29,776)
Decrease in trade payables		(23,313)	(2,417)
Decrease in other payables and accruals		(2,473)	(2,255)
Cash from (used in) operations		4,786	(34,150)
Bank interest income	4	11	135
Income tax paid		(9,926)	(11,367)
Net cash used in operating activities		(5,128)	(45,382)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

		30 June 2026 (Unaudited) RMB'000	30 June 2025 (Unaudited) RMB'000
	Notes		
INVESTING ACTIVITIES			
Purchase of items of property and equipment		(1,042)	(2,083)
Proceeds from disposal of items of property and equipment		756	179
Deposit refunded for acquiring equity investment		30,000	–
Deposit refunded for purchasing investment property		50,000	–
Proceeds from disposal of financial assets at FVTPL		–	(24,500)
Purchase of financial assets at FVTPL		–	24,500
Interest from financial assets	4	–	36
Net cash from (used in) investing activities		79,714	(1,868)
FINANCING ACTIVITIES			
Repayment of interest-bearing bank borrowings		(74,781)	(42,350)
New interest-bearing bank borrowings		79,031	123,831
Principal portion of lease payments		(8,839)	(8,259)
Interest paid	6	(4,284)	(4,456)
Net cash (used in) from financing activities		(8,873)	68,766
NET INCREASE IN CASH AND CASH EQUIVALENTS		65,713	21,516
Cash and cash equivalents at the beginning of period		83,184	166,834
The impact of exchange rate fluctuations		(846)	(272)
Cash and cash equivalents at the end of period		148,051	188,078
Analysis of cash and cash equivalents balance			
Cash and cash equivalents presented in the interim condensed consolidated statement of financial position	14	148,051	188,078
Cash and cash equivalents presented in the interim condensed consolidated statement of cash flow		148,051	188,078

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

1. GENERAL

Runhua Living Service Group Holdings Limited (the “**Company**”) is an exempted company with limited liability incorporated in the Cayman Islands under the Companies Act of the Cayman Islands. The registered office address of the Company is Floor 4, Willow House, Cricket Square, Grand Cayman KY1-9010, Cayman Islands. The principal place of business is located at 6th Floor, Building No. 1 Lemeng Center, No. 28988 Jingshi Road, Jinan City, Shandong Province, the People’s Republic of China (the “**PRC**”). In the opinion of the director of the Company, the ultimate holding company of the Company has changed from Springrain Investment Limited (“**Springrain Investment**”), a limited liability company incorporated in the British Virgin Islands (“**BVI**”) to Sailing Investment International Limited, a limited liability company incorporated in the BVI.

The Company is an investment holding company. The Company’s subsidiaries were involved in the provision of property management services, property engineering services and landscape construction services, leasing services from investment properties and other services in the PRC.

The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 17 January 2023.

The consolidated financial statements are presented in Renminbi (“**RMB**”), which is also the functional currency of the Company.

2. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

In the current year, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountant (“**HKICPA**”) which are effective for the Group’s financial year beginning on 1 January 2026:

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

The application of the amendments to HKFRS Accounting Standards in the current interim period did not have any material impact on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these interim condensed consolidated financial statements.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

3. OPERATING SEGMENT INFORMATION

Information reported to the directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of services provided. The directors of the Company have chosen to organise the Group around differences in services. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

For management purposes, the Group has four reportable operating segments as follows:

- The property management services segment includes property management services and other related services.
- The property engineering services and landscape construction services segment includes property engineering related services and landscape construction services.
- The leasing services from investment properties segment comprises, principally, investing in prime commercial space for its rental income potential.
- The others segment mainly includes (i) the technological development services which are mainly software supporting services and (ii) the intermediary services for patient nursing and post-natal caring services.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

3. OPERATING SEGMENT INFORMATION (Continued)

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. No analysis of segment assets and liabilities is presented as management does not regularly review such information for the purpose of resource allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

Six months ended 30 June 2026	Property management services (Unaudited) RMB'000	Property engineering services and landscape construction services (Unaudited) RMB'000	Leasing services from investment properties (Unaudited) RMB'000	Others (Unaudited) RMB'000	Elimination of intersegment sales (Unaudited) RMB'000	Total (Unaudited) RMB'000
Segment revenue (note 4)						
Sales to external customers	468,506	8,191	6,611	5,289	–	488,597
Intersegment sales	497	109	812	997	(2,415)	–
	469,003	8,300	7,423	6,286	(2,415)	488,597
Segment results	27,358	516	1,216	2,352	–	31,442
Reconciliation						
Other income and gains and expenses, net						(236)
Gains from disposing of a subsidiary						23,038
Share of result of an associate						1,344
Finance costs						(4,284)
Profit before tax						51,304

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

3. OPERATING SEGMENT INFORMATION (Continued)

Six months ended 30 June 2025	Property management services (Unaudited) RMB'000	Property engineering and landscape construction services (Unaudited) RMB'000	Leasing services from investment properties (Unaudited) RMB'000	Others (Unaudited) RMB'000	Elimination of intersegment sales (Unaudited) RMB'000	Total (Unaudited) RMB'000
Segment revenue (note 4)						
Sales to external customers	415,758	16,089	8,298	1,242	–	441,387
Intersegment sales	–	–	–	–	–	–
	415,758	16,089	8,298	1,242	–	441,387
Segment results	20,990	2,113	2,790	44	–	25,937
Reconciliation						
Other income and gains and expenses, net						5,681
Share of result of an associate						564
Finance costs						(4,456)
Profit before tax						27,726

4. REVENUE, OTHER INCOME AND GAINS AND EXPENSES, NET

An analysis of revenue is as follows:

	Six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Revenue from contracts with customers within the scope of HKFRS 15	481,986	433,089
Revenue from other sources :		
Gross rental income from investment properties operating leases	6,611	8,298
	488,597	441,387

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

4. REVENUE, OTHER INCOME AND GAINS AND EXPENSES, NET (Continued)

Revenue from contracts with customers

(a) Disaggregated revenue information

	Six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Types of services		
Property management services	468,506	415,758
Property engineering services and landscape construction services	8,191	16,089
Others	5,289	1,242
Total revenue from contracts with customers within the scope of HKFRS 15	481,986	433,089
Timing of revenue recognition		
Services transferred overtime	478,299	433,089
At a point in time	3,687	–
	481,986	433,089

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Property management services

The performance obligation is satisfied over time as services are rendered. Management service contracts are for periods of one to five years. The customer is billed based on the time when or before the services are provided.

Property engineering services and landscape construction services

The performance obligation is satisfied over time as services are rendered. A certain percentage of payment is retained by customers until the end of the retention period as the Group's entitlement to the final payment is conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts.

Other services

The performance obligation is satisfied over time as services are rendered and short-term advances are normally required before rendering the services. Other service contracts are for periods of one year or less, or are billed based on the time when the services are provided.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

4. REVENUE, OTHER INCOME AND GAINS AND EXPENSES, NET (Continued)

Revenue from contracts with customers (Continued)

(b) Performance obligations (Continued)

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Other income		
Government grants*	106	5,034
Bank interest income	11	135
Interest income from financial assets	–	36
	117	5,205
Gains and expenses		
Foreign exchange difference, net	(846)	(272)
Others	493	748
	(353)	476
	(236)	5,681

* Government grants include various subsidies received by the Group from the relevant government bodies. There are no unfulfilled conditions or contingencies relating to these grants.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Six months ended 30 June 2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Cost of services provided*	433,077	213,067
Depreciation of property and equipment	2,351	2,710
Depreciation of investment properties	8,097	9,428
Amortization of intangible assets**	199	199
Employee benefit expenses (including directors' and chief executive's remuneration)		
Wages and salaries	297,338	207,569
Pension scheme contributions	16,267	19,235
Equity-settled share award expenses	(64)	262
Provision for (reversal of) impairment of trade receivables	765	(312)

* The amount of cost of services excludes those included in depreciation of property and equipment, depreciation of investment properties and employee benefit expenses, which are included in the respective total amounts disclosed separately above for each of these types of expenses during the year.

** The amortisation of other intangible assets during the Reporting Period is included in administrative expenses in the consolidated statements of profit or loss and other comprehensive income.

6. FINANCE COSTS

An analysis of finance costs is as follows:

	Six months ended 30 June 2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Interest on interest-bearing borrowings	3,688	3,414
Interest on lease liabilities	596	1,042
	4,284	4,456

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

7. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
PRC Enterprise Income Tax ("EIT")		
Current Tax	7,290	6,390
Deferred tax	(1,016)	(383)
Total	6,274	6,007

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Company and its subsidiary incorporated in the BVI are not subject to any income tax.

Under the Hong Kong tax laws, the Company's subsidiary in Hong Kong is subject to Hong Kong profits tax at a rate of 16.5% for taxable income earned in Hong Kong before 1 April 2018. Starting from the financial year commencing on 1 April 2018, the two-tiered profits tax regime took effect, under which the tax rate is 8.25% for assessable profits on the first HKD2,000,000 and 16.5% for any assessable profits in excess of HKD2,000,000. No provision for Hong Kong profits tax was made for the periods ended 30 June 2026 and 2025 on the basis that the subsidiary did not have any assessable profits arising in or derived from Hong Kong for both periods.

In accordance with the PRC EIT, subsidiaries established in the PRC were subject to the income tax rate of 25% during the Reporting Period.

Pursuant to the PRC EIT Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%.

According to the Announcement of the Ministry of Finance and the State Administration of Taxation on Further Implementing the Preferential Income Tax Policies for Small Low-profit Enterprises (Announcement No. 13 2022 of the Ministry of Finance and the State Taxation Administration) jointly issued by the Ministry of Finance and the State Taxation Administration, during the period from 1 January 2022 to 31 December 2025, for the portion of annual taxable income amount which exceeds RMB1 million but not more than RMB3 million, the taxable income amount is reduced at a rate of 25%, and it is subject to enterprise income tax at a rate of 20%.

According to the Announcement No.12 2021 and No.6 2023 of the Ministry of Finance and the State Taxation Administration jointly issued by the Ministry of Finance and the State Taxation Administration, during the period from 1 January 2021 to 31 December 2025, for the portion of annual taxable income amount which does not exceed RMB1 million, the taxable income amount is reduced at a rate of 12.5%, and it is subject to enterprise income tax at a rate of 20%. Certain of the Group's PRC subsidiaries and branches were qualified as small low-profit enterprises and thus were entitled to tax incentives for both years.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

8. DIVIDENDS

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

In addition, the special dividend of HK\$0.05 per ordinary shares, amounting to approximately HK\$15,000,000 had been approved by the Board at the Board meeting held on 16 June 2026.

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used to calculate the basic earnings per share amount for the period was 300,000,000 (30 June 2025: 294,430,694), representing the weighted average number of ordinary shares of the Company immediately after the capitalisation issue (as explained in note 16), as if all these shares had been in issue throughout the periods ended 30 June 2025 and 2026.

The Group had no potentially dilutive ordinary shares in issue for the period.

The calculation of the basic and diluted earnings per share is based on the following:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Earnings:		
Profit attributable to ordinary equity holders of the parent	45,000	21,723
	Six months ended 30 June	
	Number of Shares	
	2026	2025
Shares:		
Weighted average number of ordinary shares in issue during the period, used in the basic and diluted earnings per share calculation	300,000,000	294,430,694
Earnings per share		
Basic and diluted (RMB)	0.15	0.07

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

10. PROPERTY AND EQUIPMENT

As at 30 June 2026, the cost of assets purchased by the Group was RMB1,042,000 (30 June 2025: RMB2,083,000).

For the six months ended 30 June 2026, the Group sold assets with a net book value of RMB756,000 (30 June 2025: RMB179,000), resulting in a net loss of nil (30 June 2025: nil) from the sale.

11. INVESTMENT PROPERTIES

The Group's investment properties are located on the land in the PRC with a period of land use right from 20 to 40 years for self-owned properties, which are measured using a cost model and depreciated on a straight-line basis over their estimated useful lives to write off their costs (net of estimated residual value).

Investment properties leased to third parties and related parties are operating leases. As at 30 June 2026, the carrying amount of the investment property subleased or intended to be subleased was RMB2,512,000 (30 June 2025: RMB45,638,000).

As at 30 June 2026, the Group had not obtained the ownership certificates for certain car parking lots with a net book value of approximately RMB7,230,501 (30 June 2025: RMB7,824,127).

At the end of the Reporting Period, the fair value of the Group's investment properties was approximately RMB26,606,500 (30 June 2025: RMB73,877,700).

The fair value estimations for the self-owned properties and leased properties were both at Level 3 of the fair value hierarchy.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

12. LEASES

The Group as a lessee

The Group has lease contracts for commercial buildings and car parks. Leases of commercial buildings and car parks generally have lease terms between 1 year and 9 years.

(a) Lease liabilities

During the period, the carrying amount and changes of lease liabilities are as follows:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Book value at the beginning of the period	33,751	50,679
Interest increase confirmed during the period	596	1,042
Lease term revision resulting from changes in the irrevocable lease period	–	(1,521)
Payment	8,839	(8,259)
Disposal of subsidiaries	22,907	–
Book value at the end of the period	2,602	41,940
Spot portion	941	16,061
Non-spot portion	1,661	25,879
	2,602	41,940

The Group has applied practical and expedient methods to all eligible rental discounts granted to lessors for leasing certain properties during the period.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

12. LEASES (Continued)

The Group as a lessee (Continued)

(b) The amounts recognised in profit or loss in relation to leases are as follows:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Interest on lease liabilities	596	1,042
Depreciation of investment properties and right-of-use assets	8,097	9,428
Expense relating to short-term leases	255	23
Total amount recognised in profit or loss	8,948	10,493

13. TRADE AND BILL RECEIVABLES

	30 June	31 December
	2026	2025
	(Unaudited)	(Audited)
	RMB'000	RMB'000
Trade receivables	296,033	272,007
Bill receivables	7,045	3,949
	303,078	275,956
Impairment	(4,288)	(3,523)
	298,790	272,433

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

13. TRADE AND BILL RECEIVABLES (Continued)

At the end of the Reporting Period, an ageing analysis of the trade receivables, net of impairment, based on the invoice date, is as follows:

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Within 1 year	255,445	233,529
1 to 2 years	22,328	22,084
Over 2 years	13,972	12,781
	291,745	268,484

14. CASH AND CASH EQUIVALENTS, AS WELL AS RESTRICTED DEPOSITS

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Cash and bank balances	183,946	118,385
Reduce:		
Restricted fixed-term deposits	(35,895)	(35,201)
Cash and cash equivalents	148,051	83,184

15. TRADE PAYABLES

At the end of Reporting Period, an ageing analysis of the trade payables, based on the invoice date, is as follows:

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Within 3 months	44,011	73,778
3 to 6 months	1	3,896
6 months to 1 year	12,470	645
Over 1 year	4,010	4,169
Total	60,492	82,488

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

16. SHARE CAPITAL

Shares	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Authorised (number of shares) ordinary shares of USD0.0001	500,000,000	500,000,000
Issued and paid (number of shares) ordinary shares of USD0.0001	300,000,000	300,000,000

As at 30 June 2026, the total number of ordinary shares issued by the Company was 300,000,000 (31 December 2025: 300,000,000), which included 5,569,306 (2025: 5,569,306) treasury shares held and issued under the Pre-IPO restricted share unit scheme (“**RSU Scheme**”) of the Group adopted on 14 December 2022.

17. CONTINGENT LIABILITIES

At the end of the Reporting Period, the Group had no undisclosed contingent liabilities.

18. COMMITMENT ISSUES

At the end of the Reporting Period, the Group did not have any significant commitment issues.

19. RELATED PARTY TRANSACTION

Mr. Luan Tao, Mr. Luan Hangqian, and Ms. Liang Yuefeng have entered into a concerted action personnel agreement, whereby they acknowledge and confirm that they have been taking concerted action in exercising their rights as shareholders of Runhua Living Service Group Holdings Limited prior to entering into the agreement, and agree to continue doing so in the future. In case of any disagreement between Mr. Luan Hangqian and Ms. Liang, Mr. Luan Tao’s decision shall prevail.

Mr. Luan Tao
Ms. Liang Yuefeng
Mr. Luan Hangqian

Controlling shareholder
Wife of controlling shareholder
Son of the controlling shareholder

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

19. RELATED PARTY TRANSACTIONS (Continued)

(a) The transactions between our Group and related parties are as follows:

		Six months ended 30 June	
		2026	2025
	Note	(Unaudited)	(Unaudited)
		RMB'000	RMB'000
Services provided to related parties			
The entity controlled by Mr. Luan Tao			
Rental services provided	(i)	77	85
Provide property engineering services and landscaping construction services	(i), (ii)	108	259
Property management provided	(i), (ii)	7,795	4,583
Others	(i)	–	90
		7,980	5,017
The entity controlled by Mr. Luan Hangqian			
Provide property engineering services and landscaping construction services	(i), (ii)	2,044	3,758
Property management provided	(i), (ii)	1,976	1,788
		4,020	5,546
The entities controlled by Mr. Luan Tao and Mr. Luan Hangqian			
Property management provided	(i), (ii)	–	124
		–	124
Tianjin Tianfu			
Rental services provided	(i)	812	–
Property management provided	(i)	109	123
Others	(i)	997	–
		1,918	123
		13,918	10,810

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

19. RELATED PARTY TRANSACTIONS (Continued)

(a) The transactions between our Group and related parties are as follows:
(Continued)

		Six months ended 30 June	
		2026	2025
	Note	(Unaudited)	(Unaudited)
		RMB'000	RMB'000
Purchase from related parties			
The entity controlled by Mr. Luan Tao			
Accept leasing services	(i)	422	628
Accept services	(i)	–	39
		422	667
Yucheng High Tech			
Accept human resources services	(i)	1,612	–
		1,612	–
The entity controlled by Mr. Luan Hangqian			
Accept services	(i)	–	47
		–	47
		2,034	714

(i) The above service fees and prices for other transactions are determined based on similar terms provided to third-party customers.

An entity controlled by Mr. Luan Tao granted the Group a license to use certain trademarks owned by the entity (the “**Licensed Trademarks**”) in the PRC on a royalty-free basis during the six months ended 30 June 2026 and 2025. The Group entered into a three-year trademark licensing agreement with the entity in 2021 and renewed a six-year agreement with the entity in 2025 on a royalty-free basis respectively.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

19. RELATED PARTY TRANSACTIONS (Continued)

(b) Salary of the main management personnel of the Group

	Six months ended 30 June 2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Salary, allowances, and benefits in kind	1,351	1,120
Equity-settled share award expenses	–	262
Pension scheme contributions	111	99
	1,462	1,481

(c) Outstanding balance of related parties

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Due from Related parties		
<i>Trade receivables</i>		
The entity controlled by Mr. Luan Hangqian	34,400	37,573
The entity controlled by Mr. Luan Tao	7,469	6,639
The entity controlled by Ms. Liang Yuefeng	147	276
The entities controlled by Mr. Luan Tao and Mr. Luan Hangqian	44	–
Tianjin Tianfu	4,448	2,445
	46,509	46,993
<i>Contract assets</i>		
The entity controlled by Mr. Luan Hangqian	18,413	15,325
The entity controlled by Ms. Liang Yuefeng	96	154
	18,509	15,479

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

19. RELATED PARTY TRANSACTIONS (Continued)

(c) Outstanding balance of related parties (Continued)

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
<i>Other receivables</i>		
Tianjin Tianfu	34,520	4,000
	34,520	4,000
	99,538	66,412
<i>Accounts payable to related parties</i>		
<i>Trade payables</i>		
The entity controlled by Mr. Luan Tao	1,387	2,611
The entity controlled by Mr. Luan Hangqian	10	21
	1,397	2,632
<i>Contract liabilities</i>		
The entity controlled by Mr. Luan Tao	–	3
The entity controlled by Mr. Luan Hangqian	156	464
	156	467
<i>Other payables</i>		
The entity controlled by Mr. Luan Tao	–	505
The entity controlled by Mr. Luan Hangqian	–	655
The entity controlled by Ms. Liang Yuefeng	–	218
	–	1,378
	1,553	4,477

The balance is unsecured, interest free, and has no fixed repayment term.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

20. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, restricted deposits, trade receivables, financial assets included in other receivables, short-term interest-bearing borrowings, trade payables, financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short-term maturities of these instruments.

Management has assessed that the fair values of non-current portion of other receivables, interest-bearing borrowings by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value of non-current portion of other receivables is insignificant, the non-current portion of borrowings bearing interest at floating rates approximate to their carrying amounts, as the carrying amounts are discounted using the relevant effective interest rates floated yearly which approximated to the prevailing borrowing rates.

The Group's corporate finance team is responsible for determining the policies and procedures for the fair value management of financial instruments. The corporate finance team reports directly to the chief financial officer and the board of directors. At each reporting date, the corporate finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the board of directors for annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

Fair value hierarchy

The carrying amounts and fair values of the Group's non-current financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amount		Fair value	
	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Financial assets				
Other receivables and other assets, non-spot portion	15,000	67,300	15,000	67,300
Financial liabilities				
Interest-bearing bank loans	60,150	70,900	60,150	70,900

As at 30 June 2026 and 31 December 2025, the Group did not hold any liabilities measured at fair value.

The fair value measurement hierarchy of the non-current portion of other receivables and other assets, interest-bearing bank borrowings are level 2 by using significant observable inputs.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

21. EVENT AFTER THE REPORTING PERIOD

During the Reporting Period, Shandong Runhua Property Management Co., Ltd., an indirectly wholly-owned subsidiary, entered into a property purchase agreement with Shandong Diping Tianyu Real Estate Co., Ltd., a company wholly owned by Mr. Luan Hangqian (a controlling shareholder), to acquire a commercial property in Jinan for RMB40.0 million. The acquisition is expected to be completed by mid-September 2026. Please refer to the announcements dated 22 June 2026 and 17 July 2026 for more details.