

佳源服務控股有限公司

JIAYUAN SERVICES HOLDINGS LIMITED

(INCORPORATED IN THE CAYMAN ISLANDS WITH LIMITED LIABILITY)

STOCK CODE : 1153

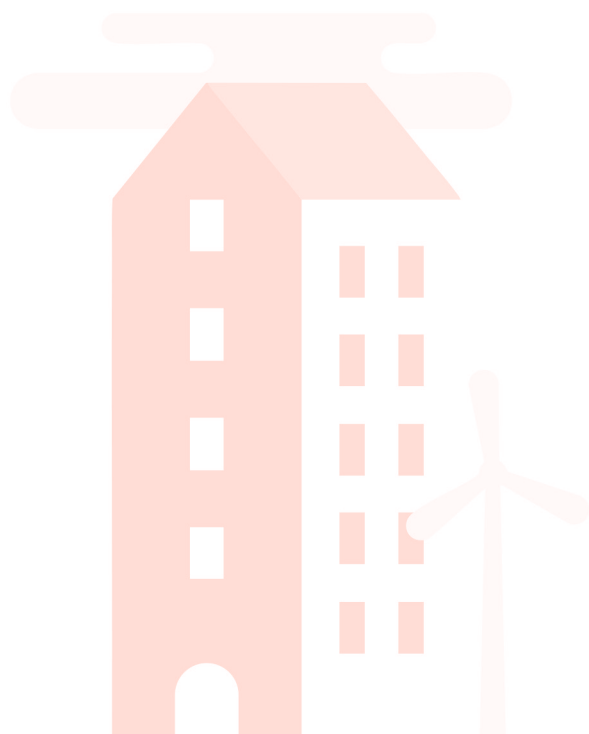
2026

INTERIM
REPORT



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CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. Li Meng (李猛先生) (*Chairman*)
Mr. Xin Bing (辛冰先生)

Non-Executive Director

Ms. Ruan Hong (阮紅女士)
(resigned on 15 May 2026)

Independent Non-Executive Directors

Mr. Zhang Chen (張辰先生)
Ms. Cui Yan (崔艷女士)
Mr. Cai Sitao (蔡思韜先生)

AUDIT COMMITTEE

Ms. Cui Yan (崔艷女士) (*Chairman*)
Mr. Zhang Chen (張辰先生)
Mr. Cai Sitao (蔡思韜先生)

REMUNERATION COMMITTEE

Mr. Zhang Chen (張辰先生) (*Chairman*)
Mr. Li Meng (李猛先生)
Ms. Cui Yan (崔艷女士)

NOMINATION COMMITTEE

Mr. Li Meng (李猛先生) (*Chairman*)
Mr. Zhang Chen (張辰先生)
Ms. Cui Yan (崔艷女士)
Mr. Cai Sitao (蔡思韜先生)

AUTHORISED REPRESENTATIVES

Mr. Li Meng (李猛先生)
Mr. Fan Kwok Man (樊國民先生)
(appointed on 20 January 2026)
Ms. Leung Kwan Wai (梁君慧女士)
(resigned on 20 January 2026)

AUDITOR

RSM Hong Kong

LEGAL ADVISERS

As to Hong Kong law:
CLKW Lawyers LLP
(In association with Michael Li & Co.)

As to PRC law:

L&H (Jiaxing) Law Firm*
(浙江六和(嘉興)律師事務所)

As to Cayman Islands law:

Conyers Dill & Pearman

REGISTERED OFFICE

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Hutchins Drive, P.O. Box 2681
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PRINCIPAL PLACE OF BUSINESS IN PRC

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HEADQUARTERS

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Tak Centre, 168-200 Connaught Road, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman, KY1-1111 Cayman Islands

BRANCH SHARE REGISTRAR IN HONG KONG

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

PRINCIPAL BANKS

Industrial and Commercial Bank of China
China Construction Bank
Bank of China

JOINT COMPANY SECRETARIES

Mr. Wu Hao (吳昊先生)
Mr. Fan Kwok Man (樊國民先生)
(appointed on 20 January 2026)
Ms. Leung Kwan Wai (梁君慧女士)
(resigned on 20 January 2026)

STOCK CODE

1153

COMPANY'S WEBSITE

<http://jy-fw.cn/>

* For identification purpose only



MANAGEMENT DISCUSSION AND ANALYSIS

MARKET REVIEW

In the first half of 2026, the industry as a whole is accelerating its transformation into a primary vehicle for grassroots livelihood governance and urban operations.

At the national policy level, the Government Work Report for the first time put forward the “Implementation of the Property Service Quality Enhancement Initiative” alongside the development of “quality housing”. The Outline of the 15th Five-Year Plan for National Economic and Social Development of the People’s Republic of China also explicitly called for improving property service quality and promoting branded and standardised development. The “15th Five-Year Plan” for Urban Renewal listed the “Property Service Quality Enhancement Initiative” as one of 14 major projects. The national top-level positioning of the property industry has been further clarified, and its status in social and economic development has been further elevated.

In terms of laws and regulations, the State Council’s 2026 Legislative Work Plan included the Property Management Regulations in the list of projects scheduled for revision, strengthening the contractual nature of services. The Regulations on the Administration of Housing Provident Funds (Revised Draft for Public Comments), released by the Ministry of Housing and Urban-Rural Development, for the first time included “payment of property management fees for self-occupied housing” as a statutory withdrawal scenario, placing it alongside home purchases, rentals and renovations, thereby providing institutional dividends for improving property fee collection rates.

In addition, the process of enhancing transparency in property services has been accelerated, with mandatory disclosure systems widely established across various regions. In some areas, disclosure status has been incorporated into the property credit rating system, and substantive progress has also been made in industry credit development, with multiple regions implementing measures for the credit rating evaluation and management of property service enterprises from 2026 onwards.

BUSINESS REVIEW

As at 30 June 2026, the Group had 258 property management projects with contracted GFA of approximately 52.8 million sq.m., representing a decrease of approximately 2.6%, respectively, as compared with that of 265 property management projects with contracted GFA of approximately 54.2 million sq.m. in the corresponding period in 2025. As at 30 June 2026, the Group had GFA under management of approximately 45.8 million sq.m., representing an increase of approximately 2.9% as compared with that of approximately 44.5 million sq.m. in the corresponding period in 2025. The decrease in contracted GFA was caused by the Group’s continuous disposal of property projects which are expected to lack cash flow support, while the increase in GFA under management was attributable to the partial conversion of contracted area and continued effective market expansion activities.

The revenue of the Group for the six months ended 30 June 2026 was approximately RMB409.0 million, representing a decrease of approximately 1.9% as compared to the corresponding period of approximately RMB417.0 million in 2025. The gross profit of the Group for the six months ended 30 June 2026 was approximately RMB129.6 million, representing a decrease of approximately 2.8% as compared to the corresponding period of approximately RMB133.3 million in 2025. The gross profit margin of the Group for the six months ended 30 June 2026 was approximately 31.7% compared with that of approximately 32.0% in the corresponding period in 2025. The net profit of the Group for the six months ended 30 June 2026 was approximately RMB18.4 million, representing a significant decrease as compared to the corresponding period of approximately RMB143.6 million in 2025, primarily due to the one-off reversal of provisions for unauthorised guarantees in the corresponding period, which had no such impact in the current period.

In terms of the property management service business, for the six months ended 30 June 2026, the revenue of property management service of the Group was approximately RMB376.4 million, representing a decrease of approximately 3.1% as compared to that in the corresponding period in 2025. The revenue of property management service business decreased to approximately 92.0% of the total revenue of the Group. The decrease in property management service business revenue was primarily due to the exit from certain commercial projects with relatively high average property management fee unit prices but persistently unsatisfactory cash flow performance in the second half of 2025, as well as the renewal of certain residential projects at reduced prices.

In terms of value-added services to property developers, for the six months ended 30 June 2026, the Group's revenue from value-added services to property developers was approximately RMB2.9 million, representing an increase of approximately 22.7% as compared to that in the corresponding period in 2025. The revenue from value-added services to property developers accounted for approximately 0.7% of the Group's total revenue. The increase in the revenue of value-added services to property developers was mainly due to the increase in value-added services provided to developers with sound credit standing.

In terms of community value-added services, for the six months ended 30 June 2026, the revenue of community value-added services was approximately RMB29.7 million, representing an increase of approximately 12.8% as compared to that in the corresponding period in 2025. For the six months ended 30 June 2026, the revenue of community value-added services accounted for approximately 7.3% of the Group's total revenue, representing a slight increase of 1 percentage point compared with the corresponding period in 2025. The increase in the revenue of community value-added services was mainly attributable to the Group's exploration of new customer groups following the optimization and adjustment of its business model, business processes, organizational structure and operation teams in respect of community value-added services.

FUTURE PLANS AND PROSPECTS

The elevated national top-level positioning and the implementation of various supporting measures by governments at all levels have injected new momentum into the high-quality development of the property industry. The Group will adhere closely to the development theme of pursuing progress while maintaining stability and achieving value enhancement, and will focus on advancing the following five competitive initiatives to strengthen its market position.

- I. The Group will keep pace with industry and era trends, broaden the cognitive horizons of all employees, integrate ESG development concepts, and adopt a “top-down and bottom-up” dual-driven approach to shape a corporate culture and market brand image that is well-suited to the roles of grassroots livelihood governance and urban operations.
- II. The Group will focus on advancing the five core capabilities of its senior management, namely strategic planning, innovative operations, risk management and control, digital and intelligent management, and in-depth customer operations and maintenance, and will implement targeted enhancement programmes to build a modern senior management team that is proficient in operations, skilled in management, capable of innovation, and willing to take responsibility.
- III. The Group will, with safe and transparent operations as its foundation and cost-leadership strategy as its guiding principle, deepen the invisible transformation of business processes, reinforce the design of surprise elements in service outcomes, increase the penetration of “frictionless services” and “emotional-value services,” and strive to create an efficient, non-intrusive, and warm residential service ecosystem for property owners.
- IV. The Group will deepen the construction of a refined financial management and control system, driving financial management to upgrade from ex-post accounting to a full-chain model encompassing ex-ante forecasting, in-process control, and ex-post enablement, thereby comprehensively enhancing its capabilities in financial management, data analysis, operational evaluation, business enablement, and risk prevention and control.
- V. The Group will adopt a scenario-based operations perspective to reshape the service value ecosystem of community life, comprehensively consider and systematically plan the community life services business, strive to achieve new breakthroughs in business scope, marketing models, and team building, and cultivate a second growth curve for the Group’s business development.

FINANCIAL REVIEW

Revenue

The revenue of the Group is derived from three types of services: (i) property management services; (ii) value-added services to property developers; and (iii) community value-added services. The revenue of the Group decreased by approximately 1.9% from approximately RMB417.0 million for the six months ended 30 June 2025 to approximately RMB409.0 million for the six months ended 30 June 2026.

The following table sets forth the details of the Group's revenue by types of services for the periods indicated:

	Six months ended 30 June					
	2026		2025		Changes	
	<i>RMB'000</i>	%	<i>RMB'000</i>	%	<i>RMB'000</i>	%
Property management services	376,397	92.0	388,330	93.1	(11,933)	(3.1)
Value-added services to property developers	2,880	0.7	2,347	0.6	533	22.7
Community value-added services	29,742	7.3	26,367	6.3	3,375	12.8
	<u>409,019</u>	<u>100</u>	<u>417,044</u>	<u>100</u>	<u>(8,025)</u>	<u>(1.9)</u>

Property management services

Revenue from property management services decreased by approximately 3.1% from approximately RMB388.3 million for the six months ended 30 June 2025 to approximately RMB376.4 million for the six months ended 30 June 2026, primarily attributable to the divestment in the second half of 2025 of certain commercial projects with relatively high average unit property fees but persistently under-performing cash flows, as well as contract renewals at reduced rates for some residential projects.

Value-added services to property developers

Revenue from value-added services to property developers increased by approximately 22.7% from approximately RMB2.3 million for the six months ended 30 June 2025 to approximately RMB2.9 million for the six months ended 30 June 2026, primarily attributable to the increase in value-added services provided for credit-worthy developers.

Community value-added services

Revenue from community value-added services increased by approximately 12.8% from approximately RMB26.4 million for the six months ended 30 June 2025 to approximately RMB29.7 million for the six months ended 30 June 2026, primarily due to the expansion of new customer groups following the Group's multi-faceted optimisation and adjustment to the business model, business processes, organisational structure and operating team for its community value-added services.

Cost of services and sales

The cost of services and sales consists of (i) employee benefit expenses; (ii) maintenance expenses; (iii) expenses for utility; (iv) cleaning and security expenses; (v) greening and gardening expenses; (vi) taxes and surcharges; (vii) office and communication expenses; and (viii) other expenses such as depreciation and amortisation.

Cost of services and sales decreased by approximately 1.5% from approximately RMB283.7 million for the six months ended 30 June 2025 to approximately RMB279.4 million for the six months ended 30 June 2026, primarily due to the optimisation of workforce structure, which led to a decline in employee headcount and consequently a decrease in employee benefit expenses.

Gross profit and gross profit margin

The gross profit of the Group decreased by approximately 2.8% from approximately RMB133.3 million for the six months ended 30 June 2025 to approximately RMB129.6 million for the six months ended 30 June 2026, which was mainly due to the decrease in revenue from property management services of the Group.

The gross profit margin decreased from approximately 32.0% for the six months ended 30 June 2025 to approximately 31.7% for the six months ended 30 June 2026. Such decrease was primarily due to the downward adjustments in the property fee pricing of certain property service contracts.

The following table sets forth the details of the Group's gross profit and gross profit margin by types of services for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	Gross profit RMB'000	Gross profit margin %	Gross profit RMB'000	Gross profit margin %
Property management services	118,002	31.4	123,489	31.8
Value-added services to property developers	897	31.1	717	30.5
Community value-added services	10,737	36.1	9,100	34.5
	<u>129,636</u>	<u>31.7</u>	<u>133,306</u>	<u>32.0</u>

Property management services

The gross profit margin of property management services decreased from approximately 31.8% for the six months ended 30 June 2025 to approximately 31.4% for the six months ended 30 June 2026, primarily due to the price reductions for certain property projects.

Value-added services to property developers

The gross profit margin of value-added services to property developers slightly increased from approximately 30.5% for the six months ended 30 June 2025 to approximately 31.1% for the six months ended 30 June 2026, primarily due to the decrease in cost of value-added services to property developers.

Community value-added services

The gross profit margin of community value-added services increased from approximately 34.5% for the six months ended 30 June 2025 to approximately 36.1% for the six months ended 30 June 2026, primarily due to the decrease in cost of the community value-added services.

Other income and expenses, net

The Group's other income and expenses changed from a net expenses of approximately RMB0.2 million for the six months ended 30 June 2025 to net income of approximately RMB1.7 million for the six months ended 30 June 2026, primarily due to the increase in recognised bad debt recoveries.

Selling and marketing expenses

Selling and marketing expenses increased from approximately RMB2.8 million for the six months ended 30 June 2025 to approximately RMB3.2 million for the six months ended 30 June 2026, representing an increase of approximately 14.7%, primarily due to the higher marketing expenditure incurred to enhance marketing effectiveness.

Administrative expenses

Administrative expenses increased from approximately RMB31.1 million for the six months ended 30 June 2025 to approximately RMB35.9 million for the six months ended 30 June 2026, representing an increase of approximately 15.3%. The increase in administrative expenses was due to the increase in audit and legal fees as well as amortisation expenses for software system integration.

Finance costs

Finance costs represented interest expenses on bank borrowings and interest expenses on lease liabilities.

Income tax expenses

Income tax expenses were approximately RMB23.1 million for the six months ended 30 June 2025, representing an increase of approximately 12.6%, to approximately RMB26.0 million for the six months ended 30 June 2026.

Profit and total comprehensive income for the period

As a result of the foregoing, the profit and total comprehensive income for the period decreased from approximately RMB143.6 million for the six months ended 30 June 2025 to approximately RMB18.4 million for the six months ended 30 June 2026.

The profit and total comprehensive income attributable to owners of the Company for the period decreased significantly from approximately RMB140.1 million for the six months ended 30 June 2025 to approximately RMB14.9 million for the six months ended 30 June 2026.

Property and equipment

The property and equipment of the Group decreased from approximately RMB19.2 million as of 31 December 2025 to approximately RMB17.7 million as of 30 June 2026, representing a decrease of approximately 7.6%, mainly due to the depreciation of property and equipment during the period.

Intangible assets

The intangible assets of the Group comprise property management contracts and goodwill resulting from equity acquisition and the purchase of software.

The intangible assets of the Group decreased from approximately RMB102.8 million as of 31 December 2025 to approximately RMB99.7 million as of 30 June 2026, mainly attributable to the amortisation of intangible assets during the period.

Trade and other receivables

Trade receivables mainly arise from provision of property management services, value-added services to property developers and community value-added services. Trade receivables of the Group, net of allowance for impairment, decreased from approximately RMB391.2 million as of 31 December 2025 to approximately RMB358.2 million as of 30 June 2026, representing a decrease of approximately 8.4%. Such decrease was primarily due to the increase in the Group's recovery of prior-years' arrears from property owners during the period.

Other receivables mainly consist of deposits and payments made on behalf of customers. Other receivables, net of allowance for impairment increased from approximately RMB72.5 million as of 31 December 2025 to approximately RMB74.2 million as of 30 June 2026, representing an increase of approximately 2.3%.

Trade and other payables

Trade payables represent the obligations to pay for goods and services acquired in the ordinary course of business from sub-contractors. Trade payables increased from approximately RMB76.7 million as of 31 December 2025 to approximately RMB84.0 million as of 30 June 2026, representing an increase of approximately 9.4%, mainly due to the Group's implementation of the business strategy of managing working capital by extending supplier payment cycles.

Other payables mainly represent (i) utility and other payables (such as receivables from residents and related parties, which are collected by the Group on behalf of and payable to the relevant suppliers); (ii) owners' maintenance fund (being various proceeds collected on behalf of the owner); (iii) deposits received (such as home decoration deposits and supplier performance bonds); (iv) payroll payable; and (v) consideration payable for business combinations. Other payables decreased from approximately RMB313.5 million as of 31 December 2025 to approximately RMB297.7 million as of 30 June 2026.

Contract liabilities

Contract liabilities mainly arise from property management fee received upfront as of the beginning of a billing cycle but not recognised as revenue. Contract liabilities decreased from approximately RMB122.5 million as of 31 December 2025 to approximately RMB72.3 million as of 30 June 2026, primarily due to the normal decline resulting from the recognition in the current year of substantial advance receipts carried over from the end of the prior year.

Liquidity, financial resources and capital structure

As of 30 June 2026, the total cash and cash equivalents and restricted bank deposits of the Group amounted to approximately RMB47.7 million and approximately RMB7.5 million, respectively. As of 31 December 2025, the total cash and cash equivalents and restricted bank deposits of the Group amounted to approximately RMB33.9 million and approximately RMB1.7 million, respectively. Liquidity increased substantially throughout the corresponding periods.

As at 30 June 2026, the Group's bank borrowings were repaid as required, and no new bank borrowings were obtained throughout the relevant period.

The Group's financial position improved continually. As of 30 June 2026, the Group's net current liabilities amounted to approximately RMB129.7 million while the Group's net current liabilities amounted to approximately RMB177.7 million as of 31 December 2025. As of 30 June 2026, the Group's current ratio (current assets/current liabilities) was approximately 0.79, while the Group's current ratio was approximately 0.74 as of 31 December 2025.

As at 30 June 2026, the gearing ratio, calculated as the total liabilities divided by the total assets of the Group, was 92.4% (31 December 2025: 97.0%).

Placing of New Shares under General Mandate and Use of Proceeds from the Placing

On 15 April 2026, the Company and Bosco Securities Limited (the “Placing Agent”) entered into the placing agreement (“Placing Agreement”), pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, of up to 60,500,000 ordinary shares of the Company (“Placing Share(s)”, to placees who and whose ultimate beneficial owners shall be independent third parties at the Placing Price of HK\$0.25 per Placing Share (“Placing”). Based on a nominal value of HK\$0.01 per Share, the aggregate nominal value of the Placing Shares is HK\$605,000. The closing price of the Company’s shares on 15 April 2026 (being the date of the Placing Agreement) was HK\$0.265.

The Directors consider that the Placing represents a good opportunity to raise additional funding through the equity market and will strengthen the Group’s financial position.

As set out in the announcements of the Company dated 15 April 2026 and 24 April 2026, the Placing Shares, which ranked pari passu with other ordinary shares, were successfully placed to two placees at the placing price of HK\$0.25 per Placing Share under general mandate. The two placees are (i) Digcom Equipment Company Limited (數通設備有限公司), a company incorporated in the British Virgin Islands with limited liability which is wholly-owned by Mr. Wei Jinbing, an individual investor and (ii) JH Service Limited (佳華服務有限公司), a company incorporated in Hong Kong with limited liability which is wholly-owned by Mr. Wang Wei, an individual investor. The gross proceeds and the net proceeds, after deduction of the placing commission and other related expenses, amounted to approximately HK\$15.13 million and HK\$14.85 million, respectively. Based on the net proceeds of approximately HK\$14.85 million, the net issue price per Placing Share is approximately HK\$0.245.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the placees and their ultimate beneficial owners are independent third parties, and none of the placees has become a substantial Shareholder (as defined under the Listing Rules) upon completion of the Placing.

As at 30 June 2026, the net proceeds from the Placing had been applied as follows:

	Planned use of the net proceeds from the Placing <i>HK\$’000</i>	Actual amount utilised up to 30 June 2026 <i>HK\$’000</i>	Unutilised net proceeds from the Placing up to 30 June 2026 <i>HK\$’000</i>	Expected timeline for the intended use
General working capital of the Group including rental payments, staff costs, professional fees and other general administrative and operating expenses, and for the settlement of outstanding payables	14,850	12,935	1,915	By end of 2026

As at 30 June 2026, the net proceeds from the Placing of approximately HK\$1.92 million had not yet been utilised as planned, which is expected to be fully utilised by the end of 2026. All of the unutilised net proceeds from the Placing have been placed in a licensed bank in Hong Kong.

Capital commitments

As at 30 June 2026, the Group's capital commitments represented the unpaid registered capital contribution to an associate in the amount of RMB 175,000.

Contingent liabilities

In addition to the unauthorised Pledged Shares for which provisions have been made for with details as below, as at 30 June 2026, certain subsidiaries of the Company are defendants in certain claims, lawsuits, arbitrations and potential claims relating to property management contract and employment dispute. The Directors of the Company after due consideration of each case and with reference to legal advice, consider the claims would not result in any material adverse impact on the interim condensed consolidated financial position or results and operations of the Group.

Unauthorised shares pledged

As detailed in the announcement of the Company dated 30 September 2024 and the notes to the audited consolidated financial results of the Group for the year ended 31 December 2022, during the Independent Internal Control Review, it was identified that during the financial year ended 31 December 2022 Zhejiang Heyuan Property Services Co., Ltd.* (浙江禾源物業服務有限公司) (“**Zhejiang Heyuan**”), an indirect wholly-owned PRC subsidiary of the Company entered into the share pledge agreement (the “**Share Pledge Agreement**”) with Mr. Zang Ping (“**Mr. Zang**”), an independent third party, pursuant to which, among others, Zhejiang Heyuan, agreed to pledge its equity interest in Zhejiang Jiayuan Services (currently known as Zhejiang Zhixiang Dacheng Property Services Group Co., Ltd (浙江智想大成物業服務集團有限公司), also an indirect wholly-owned PRC subsidiary of the Company) in the principal amount of RMB500,000,000, and all underlying interest thereof (the “**Pledged Shares**”) to Mr. Zang. The pledge was to secure the repayment obligation of Mr. Shum, as borrower, in respect of the loan agreement dated 31 March 2022 entered into between (i) Mr. Zang as the lender; (ii) Mr. Shum (沈玉興), also known as Mr. Shum Tin Ching (沈天晴) (“**Mr. Shum**”), the then ultimate controlling shareholder of the Company as at the material time of entering into of the Share Pledge Agreement, as the borrower; and (iii) Jiayuan Chuangsheng Holding Group Co., Ltd.* (佳源創盛控股集團有限公司), a company ultimately and beneficially wholly-owned by Mr. Shum as the guarantor in relation to the provision of the loan in the principal amount of RMB80,000,000.

Mr. Zang had brought a legal proceeding in the PRC against Mr. Shum and Jiayuan Chuangsheng in July 2022. In September 2022, a civil mediation paper was issued, affirming the lender's right to enforce repayment of the loan's principal and interest, and to receive preferential rights to proceeds from the auction or sale of pledged properties and the Pledged Shares. In March 2023, the court granted an enforcement order, and ordered for the resumption for the execution of such case to be resumed in March 2024. By December 2025, three of the pledged properties were successfully auctioned.

In February 2026, the Group was informed that Mr. Zang assigned all of his rights and interests under the Share Pledge Agreement and the related enforcement proceedings in relation to Zhejiang Heyuan to two independent third parties (the “**New Creditors**”), and that Mr. Zang had applied to the court for withdrawal of the enforcement application relating to Zhejiang Heyuan.

In order to settle the outstanding debt and secure the release of the Pledged Shares, subsequent to the end of the Reporting Period, in July 2026, the New Creditors issued a notice to Zhejiang Heyuan demanding repayment of RMB70,000,000 as partial repayment of the outstanding principal and interest of the loan, to be paid within 180 working days, and indicated that the repayment arrangement for the remaining outstanding amount would be notified separately in writing. As at the date of this report, the Group has repaid RMB31,000,000. The settlement of the remaining balance of the demanded amount and the final terms of repayment of the outstanding loan remain subject to further negotiation with the New Creditors and are uncertain.

As at 30 June 2026, the Group recognised a provision of approximately RMB73.6 million for loss on unauthorised Pledged Shares. The amount, based on the information available as at that date, represents the Group's best estimate of the probable cash outflow arising from the obligations in connection with the Share Pledge Agreement.

Save as disclosed above, as at 30 June 2026, the Group did not have any other material contingent liabilities.

Pledge of assets

As at 30 June 2026, the Group has the following pledge of material assets:

The Group has pledged the Pledged Shares as described in the subsection "Contingent liabilities – Unauthorised shares pledged" above, and the Pledged Shares remained pledged as at 30 June 2026 and as at the date of this report. The Share Pledge Agreement was entered into without the permission or authorisation of the Board and senior management of the Company; following the assignment of the relevant debt in February 2026, the registration of the pledge over the Pledged Shares was updated accordingly to reflect the change of pledgee.

Additional information on material uncertainty related to going concern

The Company's independent external auditor, RSM Hong Kong, issued a material uncertainty related to going concern for the six months ended 30 June 2026. Details are disclosed in the Independent Review Report of this report.

Foreign exchange risk

Almost all of the Group's operating activities were carried out in the People's Republic of China with most of the transactions denominated in RMB. The Board expected that the RMB exchange rate would not have a material adverse effect on the operations of the Group. The Group will closely monitor the fluctuations of the RMB exchange rate and adopt prudent measures to reduce potential foreign exchange risk. As at 30 June 2026, the Group did not engage in hedging activities for managing the foreign exchange risk.

Interest rate risk

The Group was not exposed to material risk directly relating to changes in market interest rate as at 30 June 2026.

SIGNIFICANT INVESTMENT HELD

The Group had no significant investment held as at 30 June 2026.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group had no material acquisitions and disposals of subsidiaries, associates and joint ventures during the six months ended 30 June 2026.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at 30 June 2026, save as disclosed in the annual results announcement of the Company for the year ended 31 December 2025, the Group did not have other future plans for material investments and capital assets.

EMPLOYEES AND REMUNERATION POLICY

The Group had 5,574 full-time employees as at 30 June 2026. The total staff costs for the six months ended 30 June 2026 were approximately RMB185.0 million. Employees' remuneration package includes salary, performance bonus and other welfare subsidies. The remuneration of employees is determined in accordance with the Group's remuneration and welfare policies, the employees' positions, performance, company profitability, industry level and market environment.

EVENTS AFTER THE REPORTING PERIOD

Save for the matters described in the subsection "Contingent liabilities – Unauthorised shares pledged" above (including the demand for repayment of RMB70,000,000 from the New Creditors in July 2026 and the loan of RMB70,000,000 obtained by the Company from Valuable Capital Group Ltd ("VCGL"), the ultimate holding company of the Company, to replenish general working capital of the Group, which is unsecured, bears interest at 4% per annum, is repayable within 360 days from the date of receipt of the funds and constitutes financial assistance fully exempt under Rule 14A.90 of the Listing Rules; RMB20,000,000 of the loan had been drawn down as at the date of this report), there were no material subsequent events undertaken by the Company or by the Group after 30 June 2026.

APPRECIATION

The Group would like to express its sincere appreciation to the management of the Group and all of its staff as well as its shareholders, business partners and customers for their continuous support to the Group.

By Order of the Board
Jiayuan Services Holdings Limited
Chairman and Executive Director
Li Meng

Hong Kong, 28 August 2026

CORPORATE GOVERNANCE AND OTHER INFORMATION

CORPORATE GOVERNANCE PRACTICES

The Company and its management are committed to maintaining good corporate governance with an emphasis on the principles of transparency, accountability and independence to all Shareholders. The Company believes that good corporate governance is an essence for a continual growth and enhancement of shareholders' value. The Company has adopted the principles and code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange (the "Listing Rules") as the basis of the Company's corporate governance practices. During the six months ended 30 June 2026, the Company has complied with the code provisions as set out in the CG Code save for the deviation from the code provision C.2.1 which is explained below. The Company periodically reviews its corporate governance practices with reference to the latest development of corporate governance. The Directors use their best endeavours to procure the Company to continue to comply with the CG Code.

Code provision C.2.1 of the CG Code stipulates that the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. Mr. Li Meng was appointed as the chairman of the Board with effect from 10 December 2024. Currently, no chief executive officer has been appointed by the Company. As all major decisions were made in consultation with members of the Board and relevant Board committee, and there have been three independent non-executive Directors on the Board offering independent perspective, the Board is therefore of the view that there are adequate safeguards in place to ensure sufficient balance of powers within the Board. The Board shall nevertheless review the structure and composition of the Board from time to time in light of prevailing circumstances, to maintain a high standard of corporate governance practices of the Company.

The Board will continue to review and consider appointing a chief executive officer as and when appropriate by taking into account the circumstances of the Group as a whole.

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 out in Appendix C3 to the Listing Rules as the Company's code of conduct regarding securities transactions by the Directors. Having made specific inquiries of all Directors, the Directors have confirmed that they have complied with the required standard of dealings as set out in the Model Code throughout the six months ended 30 June 2026.

CHANGES IN INFORMATION IN RESPECT OF DIRECTORS AND SENIOR MANAGEMENT

Pursuant to Rule 13.51B(1) of the Listing Rules, there are no changes in information of Directors and senior management since the date of the 2025 annual report up to the date of this interim report.

AUDIT COMMITTEE

The Audit Committee of the Company has three members comprising three independent non-executive Directors, namely Ms. Cui Yan (chairman of the Audit Committee), Mr. Zhang Chen and Mr. Cai Sitao. The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed with the management of the Company on financial reporting matters including a review of the unaudited interim financial information of the Group for the six months ended 30 June 2026.

The Company's independent external auditor, RSM Hong Kong, has reviewed the unaudited condensed consolidated interim financial information for the six months ended 30 June 2026 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

INTERIM DIVIDEND

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

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities (including sale of treasury shares (as defined under the Listing Rules)) during the six months ended 30 June 2026.

As of 30 June 2026, there were no treasury shares held by the Company.

SHARE SCHEMES

During the six months ended 30 June 2026, the Company had no share option scheme or share award scheme.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OR DEBENTURES

As at 30 June 2026, none of the Directors and chief executive of the Company and their respective close associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OR DEBENTURES

So far as the Directors are aware as of 30 June 2026, the following persons (other than the Directors or chief executives of the Company) had the following interests or short positions in the shares or underlying shares as recorded in the register required to be kept by the Company under section 336 of the SFO or required to be disclosed under Divisions 2 and 3 of Part XV of the SFO:

Name of substantial Shareholder	Nature of interest	Number of shares or securities held	Approximate percentage of interest in the Company
Valuable Capital Group Limited ("VCGL")	Interest in controlled corporation	450,162,046 (L) ⁽²⁾	66.96%
Consolidated Capital Group Holding Limited ("CGHL")	Interest in controlled corporation	450,162,046 (L) ⁽²⁾	66.96%
Valuable Capital Limited ("VCL")	Beneficial owner	450,000,000 (L) ⁽²⁾	66.96%
	A concert party to an agreement to buy shares described in s.317(1)(a) of the SFO	162,046 (L) ⁽²⁾	0.02%
Linkto Tech Limited ("Linkto")	A concert party to an agreement to buy shares described in s.317(1)(a) of the SFO	450,000,000 (L) ⁽³⁾	66.96%
	Beneficial owner	162,046 (L) ⁽²⁾	0.02%

Notes:

- (1) The letter "L" denotes the person's long position in the shares of the Company. The letter "S" denotes the person's short position in the shares of the Company.
- (2) As at 30 June 2026, VCL is directly and wholly owned by CGHL, which is in turn directly and wholly owned by VCGL. Accordingly, each of CGHL and VCGL is deemed to be interested in the 450,162,046 Shares held by VCL by virtue of Part XV of the SFO.
- (3) As at 30 June 2026, Linkto and VCL are concert parties to an agreement to buy shares described in s.317(1)(a) of the SFO, and accordingly, pursuant to s.317 and s.318 of the SFO, Linkto is deemed to be interested in the 450,000,000 Shares beneficially owned by VCL and VCL is deemed to be interested in the 162,046 Shares beneficially owned by Linkto.
- (4) As at 30 June 2026, the total number of issued shares of the Company was 672,209,000.

Save as disclosed above, as at 30 June 2026, the Directors are not aware of any person who had an interest or short position in the shares and the underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

INDEPENDENT REVIEW REPORT



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TO THE BOARD OF DIRECTORS OF JIAYUAN SERVICES HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information of Jiayuan Services Holdings Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 21 to 40, which comprises the interim condensed consolidated statement of financial position of the Group as at 30 June 2026 and the related interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six months period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



INDEPENDENT REVIEW REPORT

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 1.2.1 to the interim financial information, which indicates that as at 30 June 2026, the Group had net current liabilities of approximately RMB129,661,000 and accumulated losses of approximately RMB414,666,000, respectively. These conditions, along with other matters set forth in Note 1.2.1 to the interim financial information, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Certified Public Accountants

28 August 2026

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Six months ended 30 June	
		2026	2025
	Note	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Revenue	6	409,019	417,044
Cost of services and sales		<u>(279,383)</u>	<u>(283,738)</u>
Gross profit		129,636	133,306
Other income and expenses, net	7	1,690	(216)
Other gains and losses, net	8	(1,269)	375
Impairment losses on financial assets	9	(41,267)	(29,578)
Loss on unauthorised Pledged Shares	19(a)	(5,234)	(12,062)
Reversal of loss on unauthorised guarantee	19(b)	–	109,340
Selling and marketing expenses		(3,203)	(2,792)
Administrative expenses		(35,878)	(31,107)
Finance costs	11	(119)	(417)
Share of results of associates		<u>53</u>	<u>(176)</u>
Profit before taxation		44,409	166,673
Income tax expense	12	<u>(26,000)</u>	<u>(23,088)</u>
Profit and total comprehensive income for the period	10	<u>18,409</u>	<u>143,585</u>
Profit and total comprehensive income for the period attributable to:			
– Owners of the Company		14,883	140,063
– Non-controlling interests		<u>3,526</u>	<u>3,522</u>
		<u>18,409</u>	<u>143,585</u>
Earnings per share attributable to owners of the Company (expressed in RMB per share)			
– Basic and diluted	13	<u>0.02</u>	<u>0.23</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
	Note		
ASSETS			
Non-current assets			
Property and equipment	15	17,744	19,194
Right of use assets		1,587	1,825
Intangible assets		99,690	102,846
Interest in associates		1,903	1,360
Deferred income tax assets		62,312	75,471
		<u>183,236</u>	<u>200,696</u>
Current assets			
Inventories		753	944
Trade and other receivables	16	445,667	473,334
Restricted bank deposits		7,516	1,699
Cash and cash equivalents		47,700	33,927
		<u>501,636</u>	<u>509,904</u>
Total assets		<u>684,872</u>	<u>710,600</u>
EQUITY			
Equity/(deficit in equity) attributable to owners of the Company			
Share capital	17	5,777	5,225
Reserves		21,271	(6,629)
		<u>27,048</u>	<u>(1,404)</u>
Non-controlling interests		<u>25,135</u>	<u>22,652</u>
Total equity		<u>52,183</u>	<u>21,248</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30 June 2026 <i>RMB'000</i> <i>(Unaudited)</i>	31 December 2025 <i>RMB'000</i> <i>(Audited)</i>
	<i>Note</i>		
LIABILITIES			
Non-current liabilities			
Lease liabilities		1,145	1,376
Deferred income tax liabilities		<u>247</u>	<u>418</u>
		<u>1,392</u>	<u>1,794</u>
Current liabilities			
Contract liabilities		72,291	122,502
Bank borrowings		–	6,461
Lease liabilities		458	450
Provisions	19	73,648	68,414
Trade and other payables	18	381,653	390,279
Current income tax liabilities		<u>103,247</u>	<u>99,452</u>
		<u>631,297</u>	<u>687,558</u>
Total liabilities		<u>632,689</u>	<u>689,352</u>
Total equity and liabilities		<u><u>684,872</u></u>	<u><u>710,600</u></u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company			Non-controlling interests	Total equity/ (deficit in equity)
	Share capital	Reserves	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Note 17)				
Balance at 1 January 2026 (audited)	5,225	(6,629)	(1,404)	22,652	21,248
Total comprehensive income:					
Profit for the period	–	14,883	14,883	3,526	18,409
Issue of shares (Note 17)	552	13,017	13,569	–	13,569
Transactions with owners in their capacity as owners:					
Dividend paid	–	–	–	(1,043)	(1,043)
Balance at 30 June 2026 (unaudited)	<u>5,777</u>	<u>21,271</u>	<u>27,048</u>	<u>25,135</u>	<u>52,183</u>
Balance at 1 January 2025 (audited)	5,225	(135,683)	(130,458)	22,390	(108,068)
Total comprehensive income:					
Profit for the period	–	140,063	140,063	3,522	143,585
Transactions with owners in their capacity as owners:					
Dividend paid	–	–	–	(2,216)	(2,216)
Balance at 30 June 2025 (unaudited)	<u>5,225</u>	<u>4,380</u>	<u>9,605</u>	<u>23,696</u>	<u>33,301</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 June	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Cash flows from operating activities		
Cash generated from/(used in) operations	19,092	(2,157)
Income tax paid	(9,393)	(5,463)
Net cash generated from/(used in) operating activities	<u>9,699</u>	<u>(7,620)</u>
Cash flows from investing activities		
Purchases of property and equipment	(1,361)	(1,228)
Proceeds from disposals of property and equipment	245	627
Proceeds from disposal of a subsidiary	(66)	—
Capital injection to an associate	(490)	—
Interest received	23	54
Net cash used in investing activities	<u>(1,649)</u>	<u>(547)</u>
Cash flows from financing activities		
Proceeds from issue of shares	13,817	—
Shares issue expense paid	(248)	—
Payments on leases	(254)	(254)
Interests paid on bank borrowings	(88)	(378)
Repayment of bank borrowings	(6,461)	(5,651)
Dividend paid to non-controlling interests	(1,043)	(2,216)
Net cash generated from/(used in) financing activities	<u>5,723</u>	<u>(8,499)</u>
Net increase/(decrease) in cash and cash equivalents	<u>13,773</u>	<u>(16,666)</u>
Cash and cash equivalents at beginning of the period	<u>33,927</u>	<u>60,762</u>
Cash and cash equivalents at end of the period	<u><u>47,700</u></u>	<u><u>44,096</u></u>

NOTES TO THE INTERIM FINANCIAL INFORMATION

1 GENERAL INFORMATION AND BASIS OF PREPARATION

1.1 General information

Jiayuan Services Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 5 March 2020 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company’s registered office is at the office of Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. On 9 December 2020, the Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) by way of initial public offering.

The Company is an investment holding company. The Company and its subsidiaries (the “Group”) are principally engaged in the provision of property management services, value-added services to property developers and community value-added services in the People’s Republic of China (the “PRC”).

In the opinion of the directors of the Company, Valuable Capital Limited (“VCL”), a limited company incorporated in Hong Kong, is the immediate holding company of the Company. Valuable Capital Group Ltd (“VCGL”), a limited liability company incorporated in the Cayman Islands, is the ultimate holding company of the Company.

This condensed consolidated interim financial information for the six months ended 30 June 2026 (“Interim Financial Information”) is presented in Renminbi (“RMB”), unless otherwise stated.

The Interim Financial Information has been reviewed, not audited.

1.2 Basis of preparation

The unaudited Interim Financial Information has been prepared in accordance with Hong Kong Accounting Standard 34, “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange.

The Interim Financial Information should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2025. The accounting policies and methods of computation used in the preparation of this Interim Financial Information are consistent with those used in the annual consolidated financial statements of the Group for the year ended 31 December 2025.

1 GENERAL INFORMATION AND BASIS OF PREPARATION *(CONTINUED)*

1.2 Basis of preparation *(Continued)*

1.2.1 Going concern basis

As at 30 June 2026, the Group had net current liabilities of approximately RMB129,661,000 and accumulated losses of approximately RMB414,666,000. Further, should the unauthorised Pledged Shares as described in note 19(a) be auctioned or sold, resulting in the Group losing control over Zhejiang Zhixiang Dacheng Property Services Group Co., Ltd (浙江智想大成物業服務集團有限公司) (“Zhejiang Zhixiang Dacheng”), previously known as Zhejiang Jiayuan Property Services Group Co., Ltd. (浙江佳源物業服務集團有限公司), (“Zhejiang Jiayuan Services”), an indirect wholly-owned PRC subsidiary of the Company and its subsidiaries, these entities will therefore be de-consolidated from the Interim Financial Information of Group in accordance with the requirements of HKFRS 10 Consolidated Financial Statements. These events and conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group’s ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of its business. Notwithstanding the above, these Interim Financial Information have been prepared on a going concern basis as the directors of the Company have given careful consideration to the impact of the current and anticipated future liquidity of the Group and the following:

- (i) Subsequent to the end of the reporting period, the Group has obtained a loan facility of RMB70,000,000 from VCGL, the ultimate holding company. The facility is intended to replenish the general working capital of the Group and is repayable within 360 days from the date of drawdown. Further details are set out in note 22. The directors of the Company are of the opinion that VCGL will not demand repayment unless the Group is in a position to repay, and that VCL, the immediate holding company, will continue to provide or procure such financial support as may be necessary to enable the Group to meet its liabilities as they fall due;
- (ii) The board of directors have reviewed the Group’s cash flow forecast, prepared by management which covers at least a 12-month period from the end of the reporting period and will continue to assess the impact of any change in government policy, global financial market, the economy, and the business environment on the Group’s operations. The Group will adjust its strategies for its property management businesses accordingly to generate sufficient operating cash flows to meet its current and future obligations;
- (iii) The contract liabilities of approximately RMB72,291,000 are non-financial liabilities and will be recognised as revenue in the subsequent period; and
- (iv) Based on legal advice obtained regarding the unauthorised Pledged Shares as described in note 19(a), the Group possesses the options to participate in an auction of the Pledged Shares or to negotiate directly with the relevant creditors to settle the outstanding indebtedness and secure the release of the Pledged Shares. The Group also reserves the right to challenge the auction process through legal avenues.

Subsequent to the end of the reporting period, a demand notice for repayment of RMB70,000,000 was received from the relevant creditors. The directors of the Company consider that the Group will be able to recover the Pledged Shares and that this will not result in a loss of control over Zhejiang Zhixiang Dacheng and its subsidiaries. Further details are set out in note 19(a).

1 GENERAL INFORMATION AND BASIS OF PREPARATION *(CONTINUED)*

1.2 Basis of preparation *(Continued)*

1.2.1 Going concern basis (Continued)

In addition, to improve the Group's financial position, the directors of the Company are actively exploring different alternatives for equity or other financing.

Having taken into account the above, the directors of the Company consider that the Group will have sufficient financial resources to meet in full its working capital requirements and financial obligations as and when they fall due within the next twelve months. Accordingly, the Interim Financial Information have been prepared on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the management will be able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the Group's ability to generate adequate operating cash flows in the near future and obtain the continuous financial support from its beneficial owner, at a level sufficient to finance the working capital requirements of the Group.

Should the Group be unable to continue as a going concern, adjustments would have to be made to restate the values of the assets to their recoverable amounts, to provide for any further liabilities which might arise and to classify non-current assets and liabilities as current assets and liabilities respectively. The effects of these potential adjustments have not been reflected in these Interim Financial Information.

2 ADOPTION OF NEW AND REVISED HKFRS ACCOUNTING STANDARDS

The Group has applied new and amended standards effective for the financial period beginning on 1 January 2026. The adoption of these new and revised standards does not have any significant impact on the Interim Financial Information of the Group.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this Interim Financial Information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied in the annual consolidated financial statements of the Group for the year ended 31 December 2025.

4 SIGNIFICANT CHANGES IN PRINCIPAL SUBSIDIARIES AND ASSOCIATES

There was no significant change in principal subsidiaries and associates of the Group during the six months ended 30 June 2026.

5 SEGMENT INFORMATION

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

The Group is principally engaged in the provision of property management services, value-added services to property developers and community value-added services in the PRC. The CODM reviews the operating results of the Group as one operating segment to make decisions about resources to be allocated. Therefore, the CODM of the Company regards that there is only one operating segment which is used to make strategic decisions.

The Group's customers include property owners, property developers, residents and tenants (collectively "Customers") and they are all located in the PRC. No geographical segment of Customers is disclosed. The major operating entities of the Group are domiciled in the PRC. Accordingly, all of the Group's revenue was derived in the PRC during the relevant periods.

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

NOTES TO THE INTERIM FINANCIAL INFORMATION

6 REVENUE

	Six months ended 30 June	
	2026	2025
	<i>RMB'000</i> <i>(Unaudited)</i>	<i>RMB'000</i> <i>(Unaudited)</i>
Types of services		
Property management services	376,397	388,330
Value-added services to property developers	2,880	2,347
Community value-added services	29,742	26,367
	<u>409,019</u>	<u>417,044</u>
Revenue is recognised:		
– Over time	402,782	414,308
– At a point in time	6,237	2,736
	<u>409,019</u>	<u>417,044</u>

None of the Group's Customers contributed 10% or more of the Group's revenue during the six months ended 30 June 2026 and 2025.

7 OTHER INCOME AND EXPENSES, NET

	Six months ended 30 June	
	2026	2025
	<i>RMB'000</i> <i>(Unaudited)</i>	<i>RMB'000</i> <i>(Unaudited)</i>
Government grants	136	170
Value-added tax refund	235	283
Interest income	23	54
Late fees and penalties	(258)	(368)
Recovery of bad debt	3,546	–
Others	(1,992)	(355)
	<u>1,690</u>	<u>(216)</u>

NOTES TO THE INTERIM FINANCIAL INFORMATION

8 OTHER GAINS AND LOSSES, NET

	Six months ended 30 June	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Exchange loss, net	(185)	–
Loss on disposal of a subsidiary	(1,098)	–
Gains on disposals of property and equipment	13	415
Others	1	(40)
	<u>(1,269)</u>	<u>375</u>

9 IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	Six months ended 30 June	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Impairment loss allowance for trade receivables	42,143	29,578
Reversal of impairment loss allowance for other receivables	(876)	–
	<u>41,267</u>	<u>29,578</u>

10 PROFIT FOR THE PERIOD

The Group's profit for the period is stated after charging the following:

	Six months ended 30 June	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Depreciation of right-of-use assets	238	238
Depreciation of property and equipment	2,469	2,446
Amortisation of intangible assets	3,156	4,650
Cost of inventories sold	3,102	2,831
Short-term lease expenses	<u>1,173</u>	<u>1,148</u>

NOTES TO THE INTERIM FINANCIAL INFORMATION

11 FINANCE COSTS

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Interest expense on bank borrowings	88	378
Interest expense on lease liabilities	31	39
	<u>119</u>	<u>417</u>

12 INCOME TAX EXPENSE

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Current income tax charge	13,054	24,232
Deferred income tax charge/(credit)	12,946	(1,144)
	<u>26,000</u>	<u>23,088</u>

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of Cayman Islands and is exempted from Cayman Islands income tax.

No provision for Hong Kong profits tax has been made as the Group had no estimated assessable profit generated in Hong Kong for the six months ended 30 June 2026 and 2025.

Pursuant to PRC Corporate Income Tax Law and respective regulations, the corporate income tax provision of the Group in respect of operations in the PRC has been calculated at a rate of 25% on the respective taxable income for the period, unless it meets the conditions for other preferential tax treatment, such as a preferential corporate income tax rate of 5% to Small and Micro Enterprises.

13 EARNINGS PER SHARE – BASIC AND DILUTED

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the respective periods.

	Six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Profit attributable to owners of the Company (RMB'000)	<u>14,883</u>	<u>140,063</u>
Weighted average number of ordinary shares in issue (in thousands)	<u>634,438</u>	<u>611,709</u>
Basic earnings per share (RMB)	<u>0.02</u>	<u>0.23</u>

(b) Diluted earnings per share

Diluted earnings per share was the same as the basic earnings per share as there were no potentially dilutive ordinary shares outstanding during the six months ended 30 June 2026 and 2025.

14 DIVIDENDS

The board of directors did not recommend the payment of any interim dividend for the six months ended 30 June 2026 and 2025.

15 PROPERTY AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired property and equipment of approximately RMB1,361,000 (for the six months ended 30 June 2025: approximately RMB1,228,000).

NOTES TO THE INTERIM FINANCIAL INFORMATION

16 TRADE AND OTHER RECEIVABLES

	30 June 2026 <i>RMB'000</i> <i>(Unaudited)</i>	31 December 2025 <i>RMB'000</i> <i>(Audited)</i>
Trade receivables (a)	358,209	391,180
Other receivables	74,183	72,494
Prepayments	<u>13,275</u>	<u>9,660</u>
Trade and other receivables	<u><u>445,667</u></u>	<u><u>473,334</u></u>

(a) Trade receivables

	30 June 2026 <i>RMB'000</i> <i>(Unaudited)</i>	31 December 2025 <i>RMB'000</i> <i>(Audited)</i>
Trade receivables	623,634	698,102
Less: allowance for impairment	<u>(265,425)</u>	<u>(306,922)</u>
	<u><u>358,209</u></u>	<u><u>391,180</u></u>

NOTES TO THE INTERIM FINANCIAL INFORMATION

16 TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables (Continued)

The ageing analysis of the trade receivables based on invoice date and net of allowance for impairment is as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
0-60 days	31,236	59,434
61-180 days	72,096	51,700
181-365 days	86,357	92,531
1-2 years	110,014	112,467
2-3 years	30,845	39,539
3-4 years	17,081	23,948
4-5 years	6,112	8,359
More than 5 years	4,468	3,202
	<u>358,209</u>	<u>391,180</u>

17 SHARE CAPITAL

	Number of ordinary shares	Nominal value of shares HKD'000	Equivalent nominal value of shares RMB'000
Authorised			
At 1 January 2025 (audited), 31 December 2025 (audited), 1 January 2026 (audited) and 30 June 2026 (unaudited)	<u>2,000,000,000</u>	<u>20,000</u>	<u>17,195</u>
Issued and fully paid			
At 1 January 2025 (audited), 31 December 2025 (audited) and 1 January 2026 (audited)	611,709,000	6,117	5,225
Issue of shares [*]	<u>60,500,000</u>	<u>605</u>	<u>552</u>
At 30 June 2026 (unaudited)	<u>672,209,000</u>	<u>6,722</u>	<u>5,777</u>

^{*} On 15 April 2026, the Company and Bosco Securities Limited (the "Placing Agent") entered into a placing agreement in respect of the placing of 60,500,000 ordinary shares at a price of HK\$0.25 per share under general mandate (the "Placing"). The Placing was completed on 24 April 2026. The net proceeds from the Placing, after deduction of the commission and other expenses, amounted to approximately HK\$14,850,000 (equivalent to approximately RMB13,569,000). Details of the Placing were disclosed in announcements of the Company dated 15 and 24 April 2026.

NOTES TO THE INTERIM FINANCIAL INFORMATION

18 TRADE AND OTHER PAYABLES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade payables (a)	83,962	76,736
Other payables		
– Utility and other charges	60,439	59,547
– Owners' maintenance fund	41,995	41,709
– Deposits received	75,846	77,592
– Loan from VCL	–	6,281
– Payroll payable	59,021	58,111
– Other taxes payables	13,319	16,470
– Others	47,071	53,833
	297,691	313,543
	381,653	390,279

(a) The ageing analysis of trade payables based on the invoice date is as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
0-60 days	19,081	24,544
61-180 days	28,597	10,889
181-365 days	8,884	21,994
More than 1 year	27,400	19,309
	83,962	76,736

NOTES TO THE INTERIM FINANCIAL INFORMATION

19 PROVISIONS

	Loss on unauthorised Pledged Shares RMB'000	Loss on unauthorised guarantee RMB'000	Total RMB'000
At 1 January 2026 (audited)	68,414	–	68,414
Charged to the interim condensed consolidated statement of comprehensive income	5,234	–	5,234
At 30 June 2026 (unaudited)	<u>73,648</u>	<u>–</u>	<u>73,648</u>
At 1 January 2025 (audited)	46,862	152,340	199,202
Reclassified to other payables	–	(43,000)	(43,000)
Charged/(credited) to the interim condensed consolidated statement of comprehensive income	12,062	(109,340)	(97,278)
At 30 June 2025 (unaudited)	<u>58,924</u>	<u>–</u>	<u>58,924</u>

a) Loss on unauthorised Pledged Shares

As detailed in the announcement of the Company dated 25 September 2024 and 30 September 2024, it was identified that in March 2022, Zhejiang Heyuan Property Services Co., Ltd. (浙江禾源物業服務有限公司) (“Zhejiang Heyuan”), an indirect wholly-owned PRC subsidiary of the Company, without the permission or authorisation of the then Board and senior management of the Company, entered into an unauthorised and undisclosed share pledge agreement (the “Share Pledge Agreement”). Under this agreement, Zhejiang Heyuan agreed to pledge its equity interest in Zhejiang Jiayuan Services and all underlying interest thereof (the “Pledged Shares”). The pledge was to secure the repayment obligation of Mr. Shum Tin Ching (“Mr. Shum”), the then ultimate controlling shareholder of the Company as at the material time of entering into of the agreement, as borrower, in respect of a personal loan of RMB80,000,000 from an external lender. The loan was interest-bearing at 18% per annum, repayable on 31 May 2022 and was further secured by properties held by the then related parties under Mr. Shum’s control, with joint and several guarantee obligations provided by one of the then related parties.

Following Mr. Shum’s failure to repay, the lender initiated legal proceedings against Mr. Shum as the borrower and a guarantor party in July 2022. In September 2022, a civil mediation paper was issued, affirming the lender’s right to enforce repayment of the loan’s principal and interest, and to receive preferential rights to the proceeds from the auction or sale of pledged properties and the Pledged Shares. In March 2023, the court granted an enforcement order, and execution proceeding resumed in March 2024. By December 2025, three of the pledged properties were successfully auctioned. There were no further actions taken on the remaining pledged properties and the Pledged Shares.

During the six months ended 30 June 2026, the Group was informed that the lender assigned all of his rights and interests under the Share Pledge Agreement and the related enforcement proceedings in relation to Zhejiang Heyuan to two independent third parties (the “New Creditors”), and that the lender had applied to the court for withdrawal of the enforcement application relating to Zhejiang Heyuan.

19 PROVISIONS (CONTINUED)

a) Loss on unauthorised Pledged Shares (Continued)

In order to settle the outstanding debt and secure the release of the Pledged Shares, subsequent to the end of the Reporting Period, in July 2026, the New Creditors issued a notice to Zhejiang Heyuan demanding repayment of RMB70,000,000 as partial repayment of the outstanding principal and interest of the loan. The demanded amount is due within 180 working days. The repayment arrangement for the remaining outstanding amount would be notified separately in writing. As at the date of this report, the Group has repaid RMB31,000,000 of the demanded amount. The settlement of the remaining balance of the demanded amount and the final terms of repayment of the outstanding loan remain subject to further negotiation with the New Creditors and are uncertain.

As at 30 June 2026, the Group recognised a provision of approximately RMB73,648,000 for loss on unauthorised Pledged Shares. The amount, based on the information available as at that date, represents the Group's best estimate of the probable cash outflow arising from the obligations in connection with the Pledged Shares.

b) Loss on unauthorised guarantee

As described in detail in the announcement dated 13 November 2024 and 13 December 2024, on 27 July 2023, two indirectly wholly-owned PRC subsidiaries of the Company, Zhejiang Heyuan and Zhejiang Jiayuan Services (collectively referred to as the "Involved Subsidiaries"), entered into unauthorised guarantee agreements with two independent third parties, as creditors (the "Creditors"), and the Involved Subsidiaries, as guarantors. These agreements, also involving a company controlled by Mr. Shum as guarantors, stipulated that the Involved Subsidiaries and the then related party would provide joint liability guarantees for all creditors' rights, effective for three years following the obligation fulfillment period. This arrangement was in favour of Chaohu Xutong Business Management Co., Ltd. (巢湖市旭彤商業管理有限公司) ("Chaohu Xutong"), a PRC limited liability company under Mr. Shum's control, pursuant to an equity transfer agreement dated 27 July 2023. In this equity transfer agreement, Chaohu Xutong as transferee, agreed to acquire the entire equity interest of a target company from the two independent third parties, as transferors, at a consideration of RMB123,000,000, payable in one lump sum within 60 days from the effective date of the equity transfer agreement.

Following Chaohu Xutong's failure to fulfill this payment, the Creditors initiated arbitration through the Shanghai Arbitration Commission (the "SAC") in December 2023. In April 2024, without proper authorisation, the legal advisers of the Involved Subsidiaries attended the arbitration hearing and entered into a settlement agreement, mandating a combined compensation to the creditors of approximately RMB124,000,000, being the consideration and the arbitration fee, as confirmed by the SAC through an arbitration mediation statement.

Based on the legal advice, the creditors could legally demand payment based on the settlement agreement. Should the Involved Subsidiaries assume all payment obligations, they may seek full recovery from Chaohu Xutong and any excess amount from the related party, which has assumed joint liability for the payment obligations. According to the PRC Civil Code, guarantors share equal liability unless otherwise agreed.

19 PROVISIONS (CONTINUED)

b) Loss on unauthorised guarantee (Continued)

As at 31 December 2024, the Group has recognised a provision for the loss on unauthorised guarantee of approximately RMB152,340,000, based on the consideration and arbitration and penalty fees stipulated in the arbitration mediation statement.

In May 2025, the Creditor, Chaohu Xutong, the Involved Subsidiaries, and the Former Related Party entered into an enforcement settlement agreement to settle all obligations under the unauthorised guarantee agreements for RMB86,000,000. The settlement comprises RMB43,000,000 through the assignment of 1,034 car parking spaces by the Former Related Party and RMB43,000,000 in cash payments by the Involved Subsidiaries, due in full by 31 December 2025. In light of the entering into of the Enforcement Settlement Agreement, the Shanghai No. 2 Intermediate People's Court lifted the Enforcement Order and concluded the execution of the relevant case in May 2025.

Consequently, the Group recognised a reversal of provision of RMB109,340,000, comprising RMB66,340,000 (the difference between the provision and the settlement amount) and RMB43,000,000 attributable to the car parking spaces. The remaining provision of RMB43,000,000 was reclassified as other payables.

Up to December 2025, all of the unauthorised guarantee payable was settled in accordance with the terms of the enforcement settlement agreement.

20 COMMITMENTS

Capital commitments

The Group had the following capital commitments at the end of the reporting period:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Capital expenditure in respect of capital contribution to associates	<u>175</u>	<u>665</u>

21 CONTINGENT LIABILITIES

In addition to the unauthorised Pledged Shares for which provisions have been made for with details of which are set out in note 19(a), as at 30 June 2026, certain subsidiaries of the Company are defendants in certain claims, lawsuits, arbitrations and potential claims relating to property management contract and employment dispute. The directors of the Company after due consideration of each case and with reference to legal advice, consider the claims would not result in any material adverse impact on the Interim Financial Information or results and operations of the Group.

22 EVENTS AFTER THE REPORTING PERIOD

Save for the matters relating to the loss on unauthorised Pledged Shares as described in note 19(a), in July 2026 the Company obtained a loan facility of RMB70,000,000 from VCGL, the ultimate holding company of the Company. The loan is unsecured, bears interest at 4% per annum and is repayable within 360 days from the date of drawdown. The proceeds are intended to replenish general working capital of the Group. As at the date of this report, RMB20,000,000 had been drawn down under the facility.

Apart from the above, there were no material subsequent events undertaken by the Company or the Group after 30 June 2026.

23 APPROVAL OF FINANCIAL INFORMATION

The unaudited condensed consolidated interim financial information for the six months ended 30 June 2026 was approved and authorised for issue by the board of directors on 28 August 2026.