

A-LIVING SERVICES CO., LTD.*

雅居樂雅生活服務股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

Stock Code: 3319

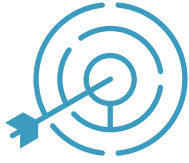


LIFELONG CARING

2020

INTERIM REPORT

*For identification purposes only



MISSION

- Provide high quality services with ingenuity, build delicate life with sincerity



BUSINESS PHILOSOPHY

- Achieve greater, higher, better, more and flexible business services



CORE VALUE

- Lifelong caring



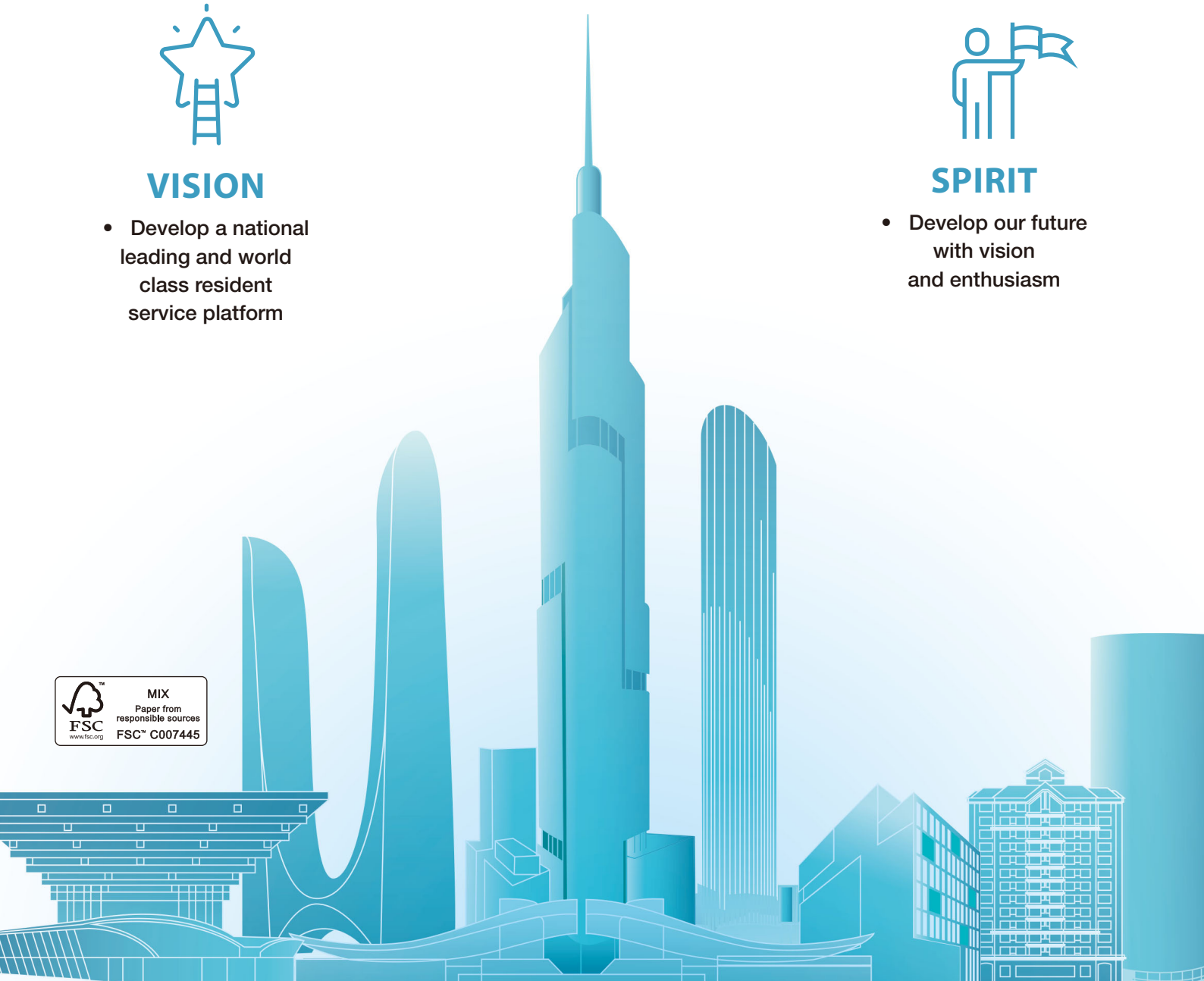
VISION

- Develop a national leading and world class resident service platform



SPIRIT

- Develop our future with vision and enthusiasm



Corporate Profile

A-Living Services Co., Ltd. (“A-Living” or the “Company”, together with its subsidiaries, collectively, the “Group”) is a reputable property management service provider focusing on mid-to high-end properties. The Group ranks the 4th of the “Top 100 Property Management Companies in China” with five major business segments, namely “property management services”, “asset management services”, “public services”, “city services” and “community commercial services”. The Group has developed three business lines, namely property management services, property owners value-added services and extended value-added services, with a nationwide coverage and diversified business portfolio. Capitalizing on the integrated resources advantage of seven regional offices, acquired companies and joint ventures, the Group strives to realize the vision of expanding its business coverage into the whole industry chain with diversified business portfolio. As of 30 June 2020, the Group’s total contracted GFA and the total GFA under management (excluding GFA of consultant projects and its associates) increased to approximately 491.3 million sq.m. and approximately 353.4 million sq.m., respectively.

On 9 February 2018, the Group successfully spun off from Agile Group Holdings Limited (雅居樂集團控股有限公司) (“Agile Holdings”, and together with its subsidiaries, “Agile Group”) and became the first property management company in the People’s Republic of China (the “PRC” or “China”) that officially spun off from a red-chip holding company to list on the H-Share market.

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Corporate Information

Board of Directors

Mr. Chan Cheuk Hung* (Co-chairman)
Mr. Huang Fengchao* (Co-chairman)
(resigned as President (General Manager) and Chief Executive Officer with effect from 21 July 2020)
Mr. Li Dalong* (President (General Manager) and Chief Executive Officer) (appointed on 21 July 2020)
Mr. Feng Xin* (Vice President)
(retired with effect from 21 July 2020)
Mr. Wei Xianzhong**
Ms. Yue Yuan**
Mr. Wan Kam To#
Ms. Wong Chui Ping Cassie# (appointed on 21 July 2020)
Mr. Wan Sai Cheong, Joseph#
(retired with effect from 21 July 2020)
Mr. Wang Peng#

* Executive Directors

** Non-executive Directors

Independent Non-executive Directors

Board Committees

Audit Committee

Mr. Wan Kam To (Committee Chairman)
Ms. Wong Chui Ping Cassie (appointed on 21 July 2020)
Mr. Wan Sai Cheong, Joseph
(retired with effect from 21 July 2020)
Mr. Wang Peng

Remuneration and Appraisal Committee

Mr. Wang Peng (Committee Chairman)
Mr. Huang Fengchao
Mr. Li Dalong (appointed on 21 July 2020)
Mr. Wan Kam To
Ms. Wong Chui Ping Cassie (appointed on 21 July 2020)
Mr. Wan Sai Cheong, Joseph
(retired with effect from 21 July 2020)

Nomination Committee

Mr. Huang Fengchao (Committee Chairman)
(appointed as Committee Chairman on 21 July 2020)
Mr. Wan Sai Cheong, Joseph (Committee Chairman)
(retired with effect from 21 July 2020)
Mr. Li Dalong (appointed on 21 July 2020)
Mr. Wan Kam To
Ms. Wong Chui Ping Cassie (appointed on 21 July 2020)
Mr. Wang Peng

Risk Management Committee

Mr. Huang Fengchao (Committee Chairman)
Mr. Chan Cheuk Hung
Mr. Li Dalong (appointed on 21 July 2020)
Mr. Wan Kam To

Supervisory Committee

Mr. Liu Jianrong (President of the Supervisory Committee, Employee representative Supervisor)
(appointed on 21 July 2020)
Ms. Chen Liru (President of the Supervisory Committee, Employee representative Supervisor)
(retired with effect from 21 July 2020)
Ms. Huang Zhixia (Employee representative Supervisor)
Mr. Shi Zhengyu (Shareholder representative Supervisor)
Mr. Wang Gonghu (External Supervisor)
(appointed on 21 July 2020)
Mr. Li Jianhui (External Supervisor)
(retired with effect from 21 July 2020)
Mr. Wang Shao (External Supervisor)

Joint Company Secretaries

Ms. Lai Kuen (appointed on 21 July 2020)
Mr. Li Dalong (resigned with effect from 21 July 2020)
Ms. Choy Yee Man (resigned with effect from 21 July 2020)

Authorised Representatives

Mr. Huang Fengchao (resigned with effect from 21 July 2020)
Mr. Li Dalong
Ms. Lai Kuen (appointed on 21 July 2020)

Auditor

PricewaterhouseCoopers
Certified Public Accountant and Registered PIE Auditor

Legal Advisors as to Hong Kong law:

Sidley Austin LLP

as to PRC law: King & Wood Mallesons

Principal Bankers

Bank of China, Guangzhou Zhujiang Branch
Industrial and Commercial Bank of China,
Zhongshan Sanxiang Wenchang Branch
Industrial and Commercial Bank of China, Lingshui Branch
Agricultural Bank of China, Sanxiang Branch
China Construction Bank, Guangzhou Huacheng Branch

Principal Place of Office in the PRC

35/F, Agile Center
26 Huaxia Road
Zhujiang New Town
Tianhe District, Guangzhou
Guangdong Province, PRC
Postal Code: 510623

Registered Office in the PRC

Management Building, Xingye Road
Agile Garden, Sanxiang Town
Zhongshan
Guangdong Province, PRC

Listing Information

Equity Securities

The Company's ordinary shares include domestic shares and overseas listed shares (H shares).

Overseas listed shares (stock code: 3319) are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange").

Despatch of Corporate Communications

This interim report (both Chinese and English versions) will be delivered to shareholders of the Company. This interim report is also published on the Company's website (www.agileliving.com.cn) and the Hong Kong Stock Exchange's website (www.hkex.com.hk).

For environmental protection reasons, the Company encourages the shareholders of the Company to view this interim report posted on the aforesaid websites where possible.

Principal Place of Business in Hong Kong

Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

H Share Registrar

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong
Telephone: (852) 2980 1333
Facsimile: (852) 2861 1465

Investor Relations

Investor Relations Department
E-mail: ir@agileliving.com.cn
Telephone: (852) 2740 8921

Website

www.agileliving.com.cn

Financial Summary

Summary of the Consolidated Statement of Comprehensive Income

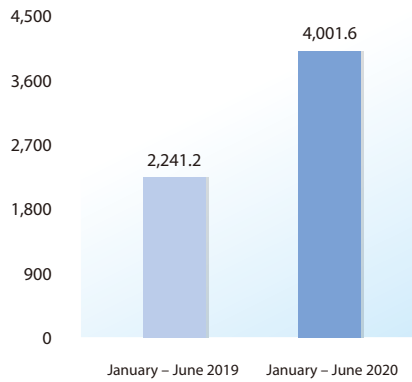
	For the six months ended 30 June	
	2020	2019
Revenue (RMB million)	4,001.6	2,241.2
Gross profit (RMB million)	1,275.4	829.5
Gross profit margin	31.9%	37.0%
Net profit (RMB million)	873.2	568.4
Net profit margin	21.8%	25.4%
Profit attributable to shareholders of the Company (RMB million)	758.0	541.3
Basic earnings per share (RMB)	0.57	0.41

Summary of the Consolidated Balance Sheet

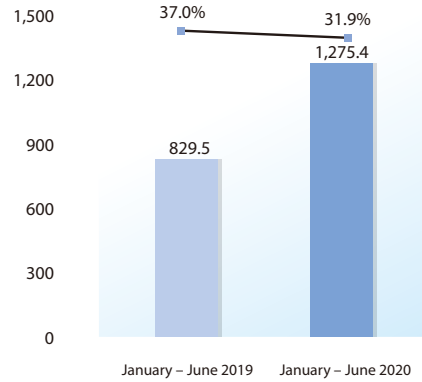
	As at	As at
	30 June	31 December
	2020	2019
Total assets (RMB million)	12,830.3	9,387.5
Cash and cash equivalents (RMB million)	4,882.0	4,207.3
Shareholders' equity (RMB million)	7,616.5	6,505.7
Return on shareholders' equity (ROE)*	24.4%	21.2%
Total liabilities/total assets	40.6%	30.7%

* Profit attributable to shareholders of the Company for the twelve months ended 30 June 2020 is adopted for calculation of ROE as at 30 June 2020.

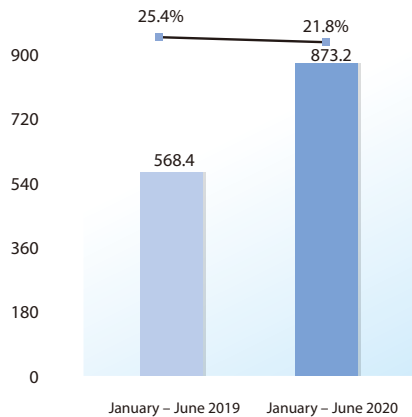
Revenue
(RMB million)



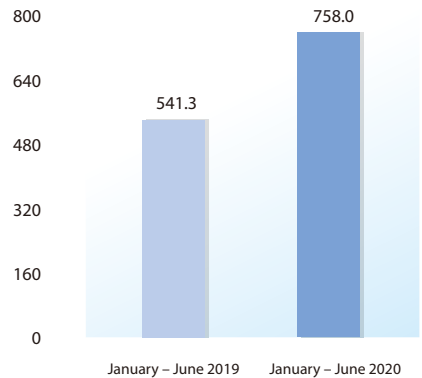
Gross profit and gross profit margin
(RMB million)/%



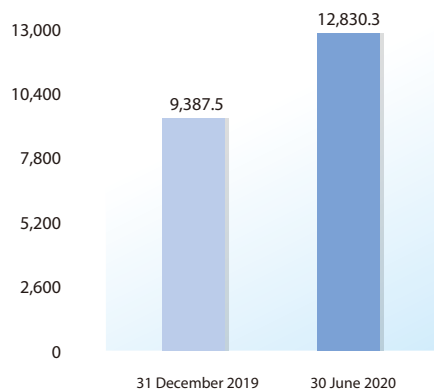
Net profit and net profit margin
(RMB million)/%



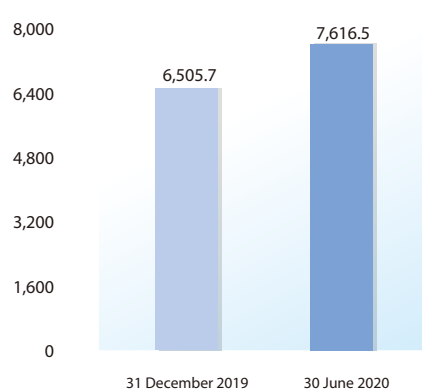
Profit attributable to shareholders of the Company
(RMB million)



Total assets
(RMB million)



Shareholders' equity
(RMB million)



Major Recognition and Awards



- 1 4th of the “2020 Top 100 Property Management Companies in China”
- 2 “2020 Leading Specialized Property Management Company in China – A Leading Brand in the Provision of Comprehensive Public Building Services”
- 3 1st of the “2020 Top 100 Leading Property Management Companies in terms of Growth Potential in China”
- 4 2nd of the “2020 Listed Property Management Company in terms of Comprehensive Strength in China”
- 5 2nd of the “2020 Top 100 Property Management Companies in terms of Business Performance in China”
- 6 2020 Leading Property Management Company in terms of Service Quality in China
- 7 2020 Leading Property Management Company in terms of Customer Satisfaction in China
- 8 4th of the “2020 Top 10 Listed Company of Property Management Services Companies”
- 9 2nd of the “2020 China Top 100 Listed Property Management Companies”
- 10 3rd of the “2020 China Top 10 Property Management Companies in terms of Investment Value”

Chairman's Statement

Huang Fengchao

*Co-chairman of
the Board*



Chan Cheuk Hung

*Co-chairman of
the Board*



Dear Shareholders,

We are pleased to present the interim results of the Group for the six months ended 30 June 2020 (the "Period").

In the first half of 2020, the global epidemic outbreak of Coronavirus Disease 2019 (the "COVID-19 outbreak"), coupled with the complex international relations and the tough economic situation, brought challenges to all walks of life. The property management industry, featured anti-cyclical by nature, continued to deliver rapid development. Given the advantages in technology and capital, the industry accelerated trends of capitalization and consolidation.

Leading companies maintained rapid growth by upgrading service quality, actively exploring the niche markets and expanding the scope of services. During the COVID-19 outbreak, property management companies always stood on the frontline of epidemic prevention to protect the communities as well as the safety and health of all the property owners, which enabled the public, the government and the capital market to further realize the value of the property management industry. Outstanding property management companies characterized by excellent quality and standardized operation were widely recognized as a result.

During the Period, in active response to external challenges, the Group focused on four indicators, namely “quality, scale, profitability and cash flow” and achieved significant improvement in operational efficiency. There was leap-frog growth in its management scale and results, making it a leading comprehensive property management company with nationwide geographic layout and covering various business portfolios. In addition, the Group optimized the layout of industry chain by unearthing the potential of existing businesses, grasping opportunities of industry consolidation and identifying new growth drivers. With its increasing comprehensive strength and brand influence, the ranking of the Group in the industry rose significantly by securing a foothold in the top five, and it ranked the 4th of the “2020 Top 100 Property Management Companies in China” by the China Index Academy. Also, being highly recognized by the capital market, the Group has been included in the Hang Seng Composite Index, and eligible stocks for Shenzhen-Hong Kong Stock Connect, etc. during the Period.

Business Review

2020 marks the first year of the Group's new three-year plan. In the first half, all staff members of the Group overcame challenges brought by the COVID-19 outbreak as a cohesive force. All of the business segments, seven regional offices, acquired companies sustained strong momentum for business development. During the first half of 2020, the Group completed one of the largest acquisitions in the industry so far, thus quickly consolidating its advantages in certain regions and niche markets and forming the 18-brand matrix covering businesses in residential properties, public buildings, commercial and office buildings.

During the Period, the revenue of the Group was RMB4,001.6 million, representing a significant increase of 78.5% as compared with the corresponding period in 2019, with a further optimization of its revenue mix. Gross profit was RMB1,275.4 million, representing a year-on-year increase of 53.8%, and gross profit margin was 31.9%. Net profit was RMB873.2 million, representing a year-on-year increase of 53.6%, and net profit margin was 21.8%. Profit attributable to the shareholders of the Company (the “Shareholders”) amounted to RMB758.0 million, representing a year-on-year increase of 40.0%. The basic earnings per share amounted to RMB0.57.

While the Group continued to stably undertake the gross floor area (“GFA”) under management from Agile Group and Greenland Holdings Group Company Limited (綠地控股集團股份有限公司) (“Greenland Holdings”), a multi-brand matrix was formed to consolidate its leading advantages in various niche markets. During the Period, the Group accelerated its expansion into third-party projects to achieve a diversified business portfolio and cross-region breakthrough, and at the same time leveraged investment, mergers and acquisitions (“M&A”), and participation in mixed-ownership reform of state-owned enterprises (“SOEs”) to realize a rapid expansion in business scale and the significant increase in the proportion of third-party projects.

As of 30 June 2020, the GFA under management and contracted GFA of the Group (excluding GFA of consultant projects and its associates) were 353.4 million sq.m. and 491.3 million sq.m. in total, respectively. The contracted GFA from Agile Group and Greenland Holdings amounted to 78.1 million sq.m. and 48.4 million sq.m., respectively, representing an increase of 1.4% and 20.7% respectively as compared with that as of 31 December 2019. The contracted GFA from projects of Agile Group and Greenland Holdings accounted for 25.7% of the total contracted GFA. The contracted GFA from third-party projects (including contribution from M&A) amounted to 364.8 million sq.m. in total and the newly increased contracted GFA exceeded 183.1 million sq.m., representing a significant increase of 100.8% as compared with that as of 31 December 2019, and accounting for 74.3% of the total contracted GFA. Including GFA of associates and GFA of consultant projects, the GFA under management and contracted GFA of the Group exceeded 500 million sq.m. and 600 million sq.m., respectively.

The Group adopted an integrated investment and expansion model, under which its ability to expand into third-party projects continued to be enhanced due to its leading advantages in various regions and business portfolios, enabling it to achieve breakthroughs in various regions and niche markets. Newly increased contracted GFA obtained through third-party expansion in the first half of the year totalled 23.0 million sq.m..

During the Period, the Group completed the consolidation of one of the largest acquisitions in the industry so far, in which it acquired 60% equity interest in CMIG Futurelife Property Management Limited* (中民未來物業服務有限公司) ("CMIG PM") and its subsidiaries to optimize its business portfolio layout and nationwide coverage, achieving leap-frog growth in scale. Upholding the principles of "management, service, empowerment and synergy", through the public services segment, the Group enabled systematic management and targeted empowerment in acquired companies in the areas of investment and expansion, information system, benchmarking assessment, value-added services, incentive scheme and standard formulation, so as to achieve full integration in terms of business operation and corporate culture. During the Period, the Group established a Strategic Development Committee and a Market Synergy Committee, which are comprised of elites from the subsidiaries under the Group, with clearly defined duties and authority as well as mutual trust and benefits. A united force of the Group was formed with a market resource synergy mechanism to facilitate the rapid, continuous and solid growth of its acquired companies. During the Period, given the excellent results of its post-acquisition empowerment and synergy works, the acquired companies in total exceeded the determined business goals for the first half of the year and their overall profitability improved significantly year-on-year.

Chairman's Statement (continued)

As for public services, the Group captured the opportunities originated from the marketization of property management services for the government and SOEs to achieve excellent performance in terms of expansion during the Period. The Group obtained a number of city landmark projects, through which it achieved cross-portfolio breakthrough and cross-region expansion into military logistics, highway, hospital and other business portfolios, thereby reinforcing the Group's leading advantages in various niche markets, such as government office, public venue, transport railway as well as park and scenic spot. Leveraging the extensive experience, professional proficiency and excellent reputation of the acquired enterprises, the Group exhibited strong growth momentum during the Period and successively secured a number of large projects, which further consolidated its influences in the niche markets. Changzhou Zhongfang under the Group won the bid of the Group's first highway service area project, setting an example for the subsequent development and expansion of "property management+highway" product. In addition, for optimizing its nationwide layout, the Group made its first foray into Tibet. Chongqing Haitai, a subsidiary of the Group, won the bid of a customs project in Lhasa, through which the Group realized a full coverage of all provincial-level administrative regions in China.

As for high-end commercial and office buildings, the Group won the bid of several landmark projects of super high-rise commercial office buildings during the Period, such as Xi'an Greenland Energy International Finance Center and Luohe Greenland Central Plaza, and it made a breakthrough in obtaining mega complex projects by winning the bid of Gulf of Greenland in Ningbo Hangzhou Bay (寧波杭州灣綠地海灣), Greenland Northeast Asia International Expo City (綠地東北亞國博城) and so on. In order to strengthen its ability in providing professional services to commercial office buildings and address its inadequacy in the corresponding project resources, the Group cooperated with ATLAS, a

leading well-rounded office building operator, to establish a joint venture named Tianjin Johnson Commercial Property Management Co., Ltd.* (天津卓森商業管理有限公司). By utilizing the shareholder background, resource advantages and brand influence of its partner, the Group was able to expand its sources of projects from third-party developers and its scope of service and quickly penetrate into the high-end commercial office building market in various regions, which together enhanced the Group's competitiveness in providing comprehensive services to commercial and office buildings.

The Group continued to actively participate in the mixed-ownership reform of SOEs. Subsequent to the establishment of Lanzhou Lanshi A-Living Property Management Services Co., Ltd.* (蘭州蘭石雅生活物業服務有限公司) ("Lanshi A-Living"), the first property management enterprise in Gansu Province which underwent mixed-ownership reform, the Group established Gansu Culture Tourism A-Living Property Management Services Co., Ltd.* (甘肅文旅雅生活物業服務有限公司) jointly with Gansu Culture Tourism Group Co., Ltd. and Lanshi A-Living. An intelligent comprehensive cultural tourism service platform has been formed after integrating the resource advantages of all shareholders to fully capitalize on the development opportunities brought by the Belt and Road Initiative to the cultural tourism industry in Gansu Province. Leveraging their advantages in resources, the acquired companies of the Group also actively looked for opportunities in mix-ownership reform of SOEs to consolidate their regional leading position. Qingdao Huaren Property Co., Ltd. ("Qingdao Huaren"), a subsidiary of the Group, established Qingdao Qinglv City Services Co., Ltd. (青島青旅城市服務有限公司) jointly with Qingdao Tourism Group Co., Ltd. (青島旅遊集團有限公司). The joint venture's businesses included city services such as urban sanitation, landscaping and road maintenance in Qingdao, covering various landmarks projects in the Shanghai Cooperation Organization Demonstration District, striving to build a strong brand in city services.

As for property owners value-added services, the Group continued to develop an online and offline community economic ecosystem focused on the residents, houses, vehicles and public resources for the community commercial services segment. To address the actual demands of property owners, the Group kept abreast of the consumption trend and provided customized services and the best experience to property owners through diversified channels and flexible operating models, enabling the rapid growth in scale of this segment. During the Period, the Group cultivated on community distribution channel, upgraded operation model leveraging its scale advantage, and introduced quality business partners. The Group continued to incubate homecare divisions and build homecare brands through diversified cooperation and innovation approaches. The Group actively developed new retail in communities, and formed strategic partners with renowned brands such as JD Alliance and Vinda Group to capitalize on community population and establish new patterns of community consumption. Home improvement services covering the full life cycle of house online and offline channels were integrated to target potential customers through innovative sales in live streaming videos. Notable growth in the traffic of community value-added services platforms was recorded and consumption stickiness of property owners was also strengthened. In addition, the Group gave full play to its advantages in community resources and information and introduced high-quality suppliers through an asset-light model. Second-hand property lease and sales services and community nursery services were initiated and the pilot business development was in line with expectation during the Period. Furthermore, our A-Steward App and parking lot management system were upgraded comprehensively to enhance operating efficiency and optimize user experience.

In the first half of the year, the Group responded promptly to the challenges brought by the COVID-19 outbreak by forming a special task force, establishing a three-level epidemic prevention and control mechanism and issuing an internal epidemic control guidebook in a timely manner, which substantially protected the life and health of all property owners and reflected the Group's service quality and commitment to property owners. As an industry-leading enterprise and a benchmark of quality, the Group took an active role in shouldering social responsibilities and took the lead in compiling the "Operation Guidelines for the Prevention and Control of COVID-19 in the Residential Property Management Area (Trial)" published by the China Property Management Association. Meanwhile, the Group proactively responded to the challenges brought by the epidemic to its operations, explored potential business opportunities and ensured stable and manageable corporate operations through centralized procurement, cost control and other measures.

The Group always strived for perfection in its service quality during the Period. A corporate standard system was formulated to cover several hundred service nodes. With an optimized organizational structure, the Group continued to pursue more refined and detailed management and implemented area-based management with well-defined authority and duties as well as suitable incentives, thus enabling a flat management structure. The Group streamlined its functional departments, improved the professional capability of its business segments, and also empowered the relevant regions and acquired companies through a flexible mechanism. The Company implemented a partner mechanism during the Period to provide clear promotion paths for, and share benefits and

responsibilities with outstanding key business personnel based on the “united, sharing and win-win” principles, thereby enhancing the Group’s talent pool of key business personnel. Mechanisms were developed to encourage intra-city expansion, quality improvement and price hike, profit enhancement and cost reduction in order to realize a win-win situation between the companies and individuals.

During the Period, the Group managed to improve its operating efficiency with intelligent technology. By integrating the comprehensive budget system with other information systems, BI (Business Intelligence) system was established to enable visual management covering every single business section and realize lean management. The revenue, profit, cost structure and cash collection status of each business segment, region and project could be fully presented, and big data was utilized for the purpose of business analysis and management decision. An effective result-oriented process management system was therefore achieved. It has been currently applied in Agile Group, Greenland Holdings and some third-party projects. Operating and management efficiency of the projects improved remarkably during the Period through lean management. Moreover, with a flexible and scientific employment model as well as reasonable market-based subcontracting practices, the Group was able to control labour costs in an effective way.

The Group received several authoritative awards and recognitions during the Period, such as the 4th of the “2020 Top 100 Property Management Companies in China”, the 1st of the “2020 Top 100 Leading Property Management Companies in terms of Growth Potential in China”, the 2nd of the “Listed Property Management Company in terms of Comprehensive Strength in China” and “2020 Leading Specialized Property Management Company in China – A Leading Brand in the Provision of Comprehensive Public Building Services”, which acknowledged the leading advantages of its brands in the niche markets.

Prospects and Strategy

The property management industry is now undergoing the process of specialization, platformization, and capitalization. With the improving laws and regulations, as well as the higher requirements for service from the public, the industry is experiencing rapid development and consolidation on one hand, and also differentiation and elimination on the other hand. The property management companies with advantages in technology, capital, talents and branding can outperform other industry players amidst the intensifying market competition, and become the first to transform and upgrade into modern service providers. Looking ahead, the Group will seize the window of opportunity created by the consolidation and transformation of the industry to expand its business coverage along the industry chain by capitalizing on the first-mover advantages arising from the comprehensive business portfolio layout, and will actively explore new growth drivers, strengthen its leading position in niche markets within the industry, as well as enhancing its comprehensive competitiveness.

Since its listing, the Group has achieved leap-frog development in management scale and profit rapidly and completed multi-portfolio and nationwide layout preliminarily. The Group has become a leading comprehensive property management company with 18 reputable brands covering diversified business portfolios including residential, commercial and public buildings as well as various niche markets. Looking forward, the Group will proactively extend its layout along industry chain, break through current scope of business, look for new growth drivers and take a lead in industry upgrade, thus to realize rapid and sustainable development of the Group. City service is at the turning point of market-oriented development, providing a promising

prospect for property management companies. The Group will upgrade its development strategies comprehensively leveraging intelligence technology, to evolve into a comprehensive operating platform for intelligent city services from a property management services provider. After taking into consideration the Group's strategic development plans and realignment of positioning, the Board has approved and proposed to change the Chinese name of the Company from “雅居樂雅生活服務股份有限公司” to “雅生活智慧城市服務股份有限公司” and the English name from “A-Living Services Co., Ltd.” to “A-Living Smart City Services Co., Ltd.”. The change of name can better reflect the future business development direction of the Group, thereby facilitating the establishment of its leading position in city service sector. The Group has established the fifth strategic business segment, namely city services, focusing on refined city management. By fully utilizing its advanced technologies, management experience and resources advantages, the Group will strive to enhance city management system and improve the efficiency as well as ability of city management.

In respect of scale expansion, the Group will take full advantage of the support from its Shareholders and resources to foster industry collaboration, and will extend its market network to cover the whole industry chain with a view to creating synergy effect. The Group will deepen the integration of investment and expansion with the advantages brought by the 18 brands under its umbrella. In addition, the Group will expand its business scale and enhance profitability through different channels, and focus on the business opportunities in residential, public and commercial and office buildings from third-party developers. Also, the Group will enhance the standard of its professional services,

and deeply explore the demand of long-term customers with unique tailor-made products. With the extensive experience in M&A, the Group is able identify quality targets during the consolidation of the industry, and deepen the co-operation with its acquired companies, so that the Group can make up for the weakness in the region and business portfolios. Meanwhile, the Group will follow the development of property management market and actively participate in the mixed-ownership reform of SOEs, so as to enhance its government and enterprise resources network and brand influence.

The Group will emphasize four key indicators, namely “quality, scale, profitability and cash flow”, with an aim to make quality as its basis and pursue efficiency through refined management. With the continuous support of the three-level quality control system, 400 Hotline Call Center and data provided by the BI system, the Group will conduct standardized operation to identify inadequacies, make rectification and prevent risks, so that it will be able to monitor, guide and control the quality of its projects in a timely manner and improve the satisfaction level of property owners, thereby laying a solid foundation for improving operating profit of the projects. In addition, the Group will continue to optimize the information system by realizing interconnection, integration and export of information on finance, capital, operation, expansion and value-added services in order to bolster the rapid business expansion. Meanwhile, through industry benchmarking, further organizational reform, management procedure optimization and nurturing of interdisciplinary talents, per capita efficiency and group cohesion will be enhanced as a result.

Chairman's Statement (continued)

Currently, A-Living has formed an 18-brand matrix covering comprehensive business portfolios. In the future, it will strengthen the market synergy to foster collaboration and share resource advantages among the brands and enlarge the economies of scale, with an aim to improve the cohesiveness of A-Living. Given the empowerment platform, the Group will achieve in-depth integration with the acquired or merged enterprises in six aspects, namely brand, operation, investment and expansion, talents, finance and value-added services. Through alignment of information systems and performance appraisals, together with clearly delegated authority and responsibilities, appropriate incentives and the establishment of authorization mechanism, the Group will spare no effort to support the acquired companies and facilitate their rapid growth.

As one of the largest property management platforms in the industry, the Group owns extensive GFA under management and enjoys significant benefits from demographic dividend. The Group will utilize its own advantages to develop community economy based on an asset-light model, integrate cross-region resources with economies of scale, and form a matrix comprising the community value-added services brands of A-Living. The Group will develop new businesses in an innovative way by nurturing senses of the internet and entrepreneurship, thoroughly studying various community consumption scenarios and introducing high-quality partners to create an ecosphere for community value-added services. The Group will fully explore actual demands of property owners and utilize information resources in communities, give full play to its strengths in intensive logistic costs and convenience in reach, and proactively develop its upstream supply chain, thus to cultivate a unique community channel. The Group will continue to introduce reputable

brands as strategic partners and form community integrated marketing with its online platform as an entry combined with offline resources in a market-oriented way. In addition, the Group will introduce its tailor-made services to its acquired companies and conduct studies on commencing non-residential property value-added services in order to provide property owners with all-round and one-stop service experience. In the future, the Group will upgrade itself from a traditional community value-added services provider to an ideal life creator with community platform, city services platform and innovation platform, by the asset-light and platform development model.

As a leading property management company in China, the Group actively participates in the reform and innovation of capital markets. On 1 July 2020, the Group received a formal approval from China Securities Regulatory Commission ("CSRC") regarding its application for H share full circulation, pursuant to which it was allowed to convert up to 900,000,000 domestic shares and unlisted foreign shares into overseas listed shares of the Company upon obtaining all related approvals and completion of conversion formalities, such shares have been admitted to be listed on The Stock Exchange of Hong Kong Limited ("Hong Kong Stock Exchange"). H share full circulation can strengthen the foundation for the long-term development of the Company, which is in line with the long-term interests of the Group and its Shareholders. Meanwhile, H share full circulation will further strengthen the alignment of interests of the Group and Shareholders, and make it possible to implement a long-term incentive scheme to enhance the motivation of its senior management and employees, thus driving the Company's value growth and sustainable development.

The Group will uphold its original vision of “lifelong caring for property owners”, and spare no effort to make itself one of the first companies that complete business upgrade and transformation and take the lead in innovation and evolution in the industry, leveraging its advantages in terms of “talent+technology+capital”, so as to expand and extend its scope of services and formulate a blueprint for full-scenario property management business, as well as to strive to become an intelligent city services provider with high quality, multi-brands and diversified business portfolios. The Group will fully implement its new three-year plan with an aim to take its strategy and brands to a new level, and to build itself as a company with a ten-billion-yuan platform in the property management industry in China. Accordingly, the Group will reward the society as well as the Shareholders on an ongoing basis with high quality and sustainable growth, thereby achieving a win-win-win situation for the Company, its employees and the property owners.

Acknowledgement

On behalf of the board (the “Board”) of directors (the “Directors”) of the Company, we would like to extend our heartfelt gratitude to the enormous support from our Shareholders and customers, as well as the dedicated efforts of all our staff members, which all greatly contributed to the growth of the Group.

Chan Cheuk Hung/Huang Fengchao

Co-Chairman of the Board

Hong Kong, 19 August 2020

Management Discussion and Analysis

Business Review

Looking back to the first half of 2020, in the context of the COVID-19 outbreak, communities became the frontline of epidemic control and prevention. The property management industry in which the Group operates fully demonstrated its social value in the areas of community disease prevention and control, emergency response, diversified services and so on. As a high-quality service provider boasting 27 years of experience in property management, the Group proactively shouldered social responsibilities by establishing an anti-epidemic network connecting property owners, the government and the society with an aim to safeguard the health of people and social stability.

During the Period, the Group further improved its well-balanced business layout featuring nationwide coverage, comprehensive business portfolio and whole industry chain by proceeding with the integration of subsidiaries and acquired enterprises. It successively completed the acquisition of CMIG PM and actively participated in third-party expansion and the mixed-ownership reform of SOEs. In addition, with the support of its two shareholders — Agile Group and Greenland Holdings, the Group steadily undertook mid-to-high-end projects from these two top-notch developers to maintain a stable growth of its business scale. As of 30 June 2020, the GFA under management and contracted GFA of the Group (excluding GFA of the consultant projects and its associates) reached 353.4 million sq.m. and 491.3 million sq.m., respectively, representing a respective growth of 100.1% and 64.4% as compared with those of 31 December 2019. If including the contracted GFA of consultant projects and its associates, the Group's total contracted GFA exceeded 600 million sq.m. as of 30 June 2020.

In the first half of 2020, the Group focused on efficiency enhancement and income mix optimization to maintain rapid growth of its business performance. During the Period, revenue of the Group amounted to RMB4,001.6 million, representing an increase of 78.5% as compared with RMB2,241.2 million in the corresponding period of 2019. Net profit was RMB873.2 million, representing an increase of 53.6% as compared with RMB568.4 million in the corresponding period of 2019. Among which, CMIG PM contributed revenue of RMB1,112.3 million and net profit of RMB119.8 million. If excluding the contribution from consolidation of CMIG PM, the Group still recorded a growth of 28.9% and 32.5% in revenue and net profit, respectively.

Given its high-quality services, ever increasing scale and multi-brand operations, the Group experienced continuous growth in its comprehensive strength and influence. During the Period, the Group leaped to the 4th of the “2020 Top 100 Property Management Companies in China” and received several authoritative awards including the 1st of the “2020 Top 100 Leading Property Management Companies in terms of Growth Potential in China”, the 2nd of the “2020 Listed Property Management Company in terms of Comprehensive Strength in China”, “2020 Leading Specialized Property Management Company in China — A Leading Brand in the Provision of Comprehensive Public Building Services” and the 2nd of the “2020 Top 100 Property Management Companies in terms of Business Performance in China”.

Financial Review

Revenue

For the six months ended 30 June 2020, revenue of the Group amounted to RMB4,001.6 million (the corresponding period of 2019: RMB2,241.2 million), representing an increase of 78.5% as compared with the corresponding period of last year.

The Group's revenue was derived from three major business lines: (i) property management services; (ii) extended value-added services; and (iii) property owners value-added services.

	For the six months ended 30 June		2019 (RMB'000)	Percentage of revenue %	Growth rate %
	2020 (RMB'000)	Percentage of revenue %			
Property management services	2,619,590	65.5%	1,227,486	54.8%	113.4%
Extended value-added services	959,333	24.0%	807,584	36.0%	18.8%
— Sales center property management services	427,790	10.7%	379,395	16.9%	12.8%
— Other extended value-added services	531,543	13.3%	428,189	19.1%	24.1%
Property owners value-added services	422,704	10.5%	206,158	9.2%	105.0%
Total	4,001,627	100.0%	2,241,228	100.0%	78.5%

Property Management Services

Property management services, which include security, cleaning, greening, gardening, repair and maintenance, etc., constitute the main source of revenue of the Group.

During the Period, revenue from property management services amounted to RMB2,619.6 million (corresponding period of 2019: RMB1,227.5 million), representing an increase of 113.4% as compared with the corresponding period of last year.

The following table sets forth a breakdown of the Group's total GFA under management

Project sources	As of	Percentage	As of	Percentage	Growth	Growth
	30 June	of areas	31 December	of areas		
	2020	%	2019	%	('000 sq.m.)	rate
	('000 sq.m.)	%	('000 sq.m.)	%		%
Agile Group	57,014	16.1%	53,826	30.5%	3,188	5.9%
Greenland Holdings	9,999	2.8%	8,558	4.8%	1,441	16.8%
Third-party property developers ¹	286,344	81.1%	114,178	64.7%	172,166	150.8%
Total	353,357	100.0%	176,562	100.0%	176,795	100.1%

Note 1: Including the GFA under management provided by the Group and third-party property developers through property management contracts and the GFA under management contributed by the projects from acquired companies, but excluding the GFA under management of the consultant projects and its associates.

As of 30 June 2020, the Group's total GFA under management (excluding GFA of the consultant projects and its associates) was 353.4 million sq.m., representing an increase of 176.8 million sq.m. from 176.6 million sq.m. as of 31 December 2019, with a growth rate of 100.1%. The increase was mainly attributable to: (i) the Group's continuous effort to take over the projects developed by Agile Group, with a newly increased GFA under management of 3.2 million sq.m. during the Period; (ii) the newly increased GFA of 1.4 million sq.m. from the projects of Greenland Holdings during the Period; (iii) the newly increased GFA under management of 172.2 million sq.m. from third-party projects, in which 158.9 million sq.m. of GFA under management was contributed from the acquisition of CMIG PM and 13.3 million sq.m. of newly increased GFA under management was obtained through third-party expansion.

If including the GFA under management of consultant projects and its associates, the Group's total GFA under management exceeded 500 million sq.m. as of 30 June 2020.

In the first half of 2020, A-Living took an active role in prevention and control of the COVID-19 outbreak in an effort to safeguard the health, life and safety of property owners. A three-level prevention and control mechanism was implemented by the Group for coordinating human resources and supplies and continuously providing diversified and convenient value-added services, through which it won the unanimous acclaim from property owners as well as their increasing loyalty and satisfaction. In addition, with an emphasis on the improvement of service quality, the Group continued to enhance the service capability of its team by strengthening standardization of services, centralized management and informatization in operations. In the first half of the year, property owners expressed a satisfaction rate of 93.5% towards the Group's efforts in controlling the COVID-19 outbreak. The overall satisfaction rate of the Group's property management services was 91.5%, representing an increase of 1 percentage point as compared with that in 2019.

During the Period, the overall collection rate of the Group's residential property projects (excluding those from M&A) reached 90.1%.

The project portfolio for GFA under management

Currently, the property management industry is still at the peak of intensive integration and is gradually expanding the diversity of business portfolios, in which development of the non-residential property sector has become the focus of attention. In response to the trend of industrial transformation, the Group has also actively engaged in the expansion of its business portfolio by penetrating into non-residential property business portfolio such as public buildings and commercial and office buildings to achieve a more diversified business combination.

As of 30 June 2020, for the GFA under management of the Group, the proportion of residential property business portfolio accounted for 41.0% (as of 31 December 2019, 58.9%) and the proportion of non-residential property business portfolio accounted for 59.0% (as of 31 December 2019, 41.1%) (public buildings accounted for 44.4%, commercial buildings and complex accounted for 11.2%). The increase in the proportion of non-residential property business portfolio was mainly due to a higher proportion of public building projects upon the acquisition of CMIG PM.

The geographic coverage for GFA under management

During the Period, the Group's projects under management reached 3,112, covering 29 provinces, municipalities and autonomous regions nationwide, in 161 cities.

As of 30 June 2020, among the Group's GFA under management by regions, 37.2% were located in the Yangtze River Delta Region, 26.7% were located in the Guangdong-Hong Kong-Macao Greater Bay Area, 10.2% were located in the Chengyu city cluster, 8.0% were located in the Lanzhou-Xining city cluster, 2.8% were located in the Harbin-Changchun city cluster, 2.7% were located in the Northern Bay city cluster while the remaining spread across other regions in the PRC.

The charging mode

The revenue of the Group from property management services was mainly based on a lump sum contract basis, which accounted for 99.0% of that from property management services (the corresponding period of 2019: the lump sum contract basis accounted for 98.4%). The lump sum contract basis the Group primarily adopted is conducive to improving service quality and operational efficiency.

The following table sets forth a breakdown of the Group's total contracted GFA

Project Sources	As of	Percentage of areas %	As of	Percentage of areas %	Growth ('000 sq.m)	Growth rate %
	30 June 2020 ('000 sq.m.)		31 December 2019 ('000 sq.m)			
Agile Group	78,110	15.9%	77,053	25.8%	1,057	1.4%
Greenland Holdings	48,370	9.8%	40,076	13.4%	8,294	20.7%
Third-party property developers	364,821	74.3%	181,684	60.8%	183,137	100.8%
Total	491,301	100.0%	298,813	100.0%	192,488	64.4%

The contracted GFA, which is defined by the Group as areas agreed in the contracts signed with property developers for providing property management services, includes delivered and to-be-delivered GFA, and the to-be-delivered (reserved) GFA will become the Group's GFA under management and enlarge the source of the Group's revenue in the future. However, as the public building business portfolio of the Group has now accounted for a significantly greater proportion, with most of the public building projects that are acquired through bids being converted in the same period, the reserved GFA of public building business portfolio and the reserved GFA of residential property business portfolio are incomparable. As of 30 June 2020, the contracted GFA (excluding GFA of the consultant projects and its associates) reached 491.3 million sq.m., representing an increase of 192.5 million sq.m. or a growth rate of 64.4% as compared with that of 298.8 million sq.m. as of 31 December 2019. If including the contracted GFA of consultant projects and its associates, the Group's total contracted GFA exceeded 600 million sq.m. as of 30 June 2020.

During the Period, the Group obtained newly increased contracted GFA of 1.1 million sq.m. from Agile Group, 8.3 million sq.m. from Greenland Holdings, and 183.1 million sq.m. from third-party projects, in which 160.1 million sq.m. was contracted GFA contributed by the subsidiaries of CMIG PM and 23.0 million sq.m. of newly increased contracted GFA was obtained through third-party expansion.

Extended value-added services

Extended value-added services primarily include sales center property management services and other extended value-added services for property developers.

During the Period, the Group recorded revenue from extended value-added services of RMB959.3 million (the corresponding period of 2019: RMB807.5 million), representing an increase of 18.8% from the corresponding period of last year, and accounting for approximately 24.0% of the total revenue, including:

- (1) The revenue from sales center property management services (accounting for 44.6% of the revenue from the extended value-added services): amounted to RMB427.8 million during the Period, representing an increase of 12.8% as compared with RMB379.4 million in the corresponding period of last year. The increase of revenue from sales center property management services was primarily due to the increase of the disinfection and hygiene services despite the delay of some new sales centers' opening caused by COVID-19 outbreak.
- (2) Other extended value-added services (accounting for 55.4% of the revenue from the extended value-added services): include property agency services and housing inspection services, etc. The revenue for the Period amounted to RMB531.5 million, representing an increase of 24.1% as compared with that of RMB428.1 million in the corresponding period of last year, mainly due to the increase in commission rate of property agency service, and the accelerated development of smart community construction services.

Property owners value-added services

Property owners value-added services mainly include living and comprehensive services, community asset management services and home improvement services. Property owners value-added services focus on improving the community living experience of property owners and residents at the properties under management and preserving and increasing the value of their properties.

Management Discussion and Analysis *(continued)*

During the Period, revenue from property owners value-added services amounted to RMB422.7 million, representing an increase of 105.0% as compared with RMB206.2 million in the corresponding period of 2019, and accounting for approximately 10.5% of the total revenue.

- (1) Living and comprehensive services include: property maintenance, housekeeping, community-based group purchase, special value-added services for public buildings, such as catering and transit services and comprehensive consulting services, etc. During the Period, centering on household services, the Group developed and expanded several business lines of homecare services including maintenance and receipt of courier parcels, introduced different excellent service providers, and cooperated with renowned brands, such as JD Alliance and Vinda Group, with an aim to enhance the influence of existing products and businesses and satisfy the diversified demands of property owners. The Group optimized its service management model by implementing a pilot flexible shift mechanism, stimulating motivation of staff and expanding the business coverage to outside of communities. During the Period, revenue from living and comprehensive services amounted to approximately RMB270.1 million, representing an increase of 270.0% as compared with RMB73.0 million in the corresponding period of last year. It accounted for approximately 63.9% of revenue from property owners value-added services.
- (2) Community asset management services primarily include: club house operation services, property lease services, community-based advertising, parking lot management services, community asset operation and second-hand property agency services. During the Period, the Group implemented an innovative asset management service model to utilize idle resources by exploring the demands for community consumption and promotion and carrying out new business such as second-hand property lease and sales services and community nursery services under an asset-light model. Revenue from community asset management services amounted to approximately RMB95.1 million, representing an increase of 9.3% as compared with RMB87.0 million in the corresponding period of last year. It accounted for approximately 22.5% of revenue from property owners value-added services.
- (3) Home improvement services primarily include: turnkey furnishing services. During the Period, in the light of the COVID-19 outbreak, the Group adjusted its business model by adopting the combined methods of online live sales and offline meetings with property owners to target new property owners. In addition, the Group has brought the marketing of home improvement services forward to the stage of home purchase at sales centers, making a breakthrough in the pre-sale of home improvement business. During the Period, revenue from such business amounted to approximately RMB57.5 million, representing an increase of 24.5% as compared with RMB46.2 million in the corresponding period of last year. It accounted for approximately 13.6% of revenue from property owners value-added services.

During the Period, the remarkable growth in property owners value-added services was mainly due to specialized operation, comprehensive utilization of community public resources, introduction of quality suppliers, as well as value-added services revenue from acquired companies.

Cost of sales

The Group's cost of sales primarily consists of employee salaries and benefit expenses, cleaning expenses, security charges, maintenance costs, utilities, greening and gardening expenses, cost of consumables, depreciation and amortisation charges and others.

During the Period, cost of sales of the Group was RMB2,726.3 million (the corresponding period of 2019: RMB1,411.8 million), representing an increase of 93.1% as compared with that of the corresponding period of 2019, which was primarily due to the increase in relevant costs in response to an increase in turnover with the rapid growth of the Group's businesses. In general, the Group's growth of the cost of sales was faster than that of revenue, primarily because the gross profit margin of the acquired companies was at the market level due to their adoption of market-oriented development strategies and the effect of amortisation of intangible assets such as customer relationship attributable to M&A purchase price allocation was recorded with an amount of RMB48.9 million.

Gross profit and gross profit margin

	For the six months ended 30 June				Changes in gross profit margin
	2020		2019		
	Gross profit (RMB'000)	Gross profit margin %	Gross profit (RMB'000)	Gross profit margin %	
Property management services	574,052	21.9%	325,916	26.6%	-4.7 percentage points
Extended value-added services	468,828	48.9%	397,540	49.2%	-0.3 percentage points
Property owners value-added services	232,486	55.0%	105,996	51.4%	3.6 percentage points
Total	1,275,366	31.9%	829,452	37.0%	-5.1 percentage points

Management Discussion and Analysis *(continued)*

During the Period, the Group's gross profit amounted to RMB1,275.4 million, representing an increase of 53.8% as compared with that of RMB829.5 million in the corresponding period of 2019. Gross profit margin decreased by 5.1 percentage points to 31.9% from 37.0% in the corresponding period of 2019. If excluding the effect of amortisation of intangible assets due to the M&A, the core gross profit was RMB1,324.2 million and core gross profit margin was 33.1%.

- The gross profit margin of property management services was 21.9% (the corresponding period of 2019: 26.6%), representing a decrease of 4.7 percentage points as compared with that of the corresponding period of last year, which was mainly because the gross profit margin of the acquired companies was at the market level due to their adoption of market-oriented development strategies. If excluding the effect of amortisation of intangible assets due to the M&A, the core gross profit was RMB622.9 million and core gross profit margin was 23.8%.
- The gross profit margin of extended value-added services was 48.9% (the corresponding period of 2019: 49.2%), representing a decrease of 0.3 percentage points as compared with that of the corresponding period of last year, which was mainly due to extra disinfection services provided in sales centers during the COVID-19 outbreak.
- The gross profit margin of property owners value-added services was 55.0% (the corresponding period of 2019: 51.4%), representing an increase of 3.6 percentage points as compared with that of the corresponding period of last year, which was mainly due to the Group's continuous endeavors to diversify the types of value-added services and conduct living services and community asset management services, as well as its economies of scale achieved through professional operations.

Selling and marketing expenses

During the Period, the Group's selling and marketing expenses amounted to RMB29.0 million (the corresponding period of 2019: RMB18.2 million), accounting for 0.7% of the revenue, and representing a decrease of 0.1 percentage points as compared with that of the corresponding period of last year, which was mainly because the marketing expenses were reduced during the COVID-19 outbreak, and the Group has established the 18-brand matrix and has extensive coverage and leverage in certain regions and business portfolios, enabling the Group to transform from general distribution to precise positioning in brand promotion.

Administrative expenses

During the Period, the Group's administrative expenses amounted to RMB221.1 million, representing an increase of 77.3% as compared with that of RMB124.7 million in the corresponding period of 2019, and accounting for 5.5% of the revenue, a decrease of 0.1 percentage points as compared with that in the corresponding period of 2019, which was mainly due to an increase in the administrative expenses from the consolidation of CMIG PM during the Period; and an effective reduction in management costs through measures such as further optimization of corporate structure, implementation of regional centralized management, stringent control over expenses, proactive resources synergies with acquired companies and centralized procurement.

Other income

During the Period, other income of the Group amounted to RMB94.7 million (the corresponding period of 2019: RMB63.4 million), representing an increase of 49.4% as compared with that of the corresponding period of last year. The increase was mainly resulted from the government subsidies received, tax rebates and the additional deduction of input value-added tax.

Income tax

During the Period, the Group's income tax expense was RMB267.9 million (the corresponding period of 2019: RMB182.1 million). The income tax rate was 23.5% (the corresponding period of 2019: 24.3%). The income tax rate for the Period represented a year-on-year decrease of 0.8 percentage points, which was mainly because (i) certain of the subsidiaries of the Group enjoyed the 15% preferential enterprise income tax rate for High-Tech Corporation; (ii) certain of the Group's subsidiaries enjoyed the preferential income tax treatment for Small and Micro Enterprise with the income tax rate of 20% and were eligible to have their tax calculated based on 25% or 50% of their taxable income; (iii) certain of the subsidiaries in the western region enjoyed the 15% preferential enterprise income tax rate under the "Great Western Development Strategy"; and (iv) certain of the subsidiaries in Hainan enjoyed the preferential income tax in "Hainan Free Trade Port".

Profit

During the Period, the Group's net profit was RMB873.2 million, representing an increase of 53.6% as compared with that of RMB568.4 million in the corresponding period of last year, which was mainly attributable to (i) the increase of profit brought by the consolidation of CMIG PM during the Period; (ii) economies of scale brought by the overall business expansion of the Group, and the rapid development of the community value-added services. Net profit margin was 21.8%, representing a decrease of 3.6 percentage points as compared with that of 25.4% in the corresponding period of last year. If excluding the effect of the amortisation of intangible assets due to the M&A, the core net profit margin was 22.8%. If excluding effect of the consolidation of CMIG PM, the net profit margin was 26.1%. Profit attributable to the equity Shareholders of the Company for the Period was RMB758.0 million, representing an increase of 40.0% as compared with RMB541.3 million in the corresponding period of last year. Basic earnings per share were RMB0.57.

Current assets, reserve and capital structure

During the Period, the Group maintained a sound financial position. As of 30 June 2020, current assets amounted to RMB8,518.1 million, representing an increase of 24.8% from RMB6,823.6 million as of 31 December 2019. Cash and cash equivalents of the Group amounted to RMB4,882.0 million, representing an increase of 16.0% as compared with that of RMB4,207.3 million as of 31 December 2019, primarily because of the year-on-year increase of operating cash inflow resulting from enhanced cash collection of the Group. As at 30 June 2020, the Group's cash and cash equivalents were mainly held in Renminbi and Hong Kong dollars.

As of 30 June 2020, the Group's total equity was RMB7,616.5 million, representing an increase of RMB1,110.8 million or 17.1% as compared with RMB6,505.7 million as of 31 December 2019, which was primarily due to a significant increase of the profit after tax of the Group.

Property, plant and equipment

The Group's property, plant and equipment mainly comprised buildings, office equipment, machinery equipment and other fixed assets. As of 30 June 2020, the net value of the Group's property, plant and equipment amounted to RMB241.7 million, representing an increase of 51.7% as compared with RMB159.3 million as of 31 December 2019, which was primarily due to the new addition of property, plant and equipment from CMIG PM, which was partially offset by the depreciation for the Period.

Other intangible assets

As of 30 June 2020, the book value of intangible assets of the Group was RMB1,006.0 million, representing an increase of 161.6% as compared with RMB384.5 million as of 31 December 2019. Intangible assets of the Group mainly included (i) RMB28.4 million from the trademark value of acquired companies; (ii) RMB1,075.3 million generated from customer relationship attributable to acquired companies; (iii) the software developed and purchased by the Group; and (iv) partially offset by amortisation of trademarks, customer relationships and software. Trademarks, customer relationship and software have a specific validity period and are carried at cost less accumulated amortization.

Goodwill

As of 30 June 2020, the Group recorded goodwill of RMB2,133.2 million, representing an increase of 55.6% as compared with RMB1,370.9 million as of 31 December 2019. The increase of goodwill for the current Period was mainly due to the goodwill of RMB762.2 million from the acquisition of CMIG PM. The goodwill was primarily derived from the expected future business developments of the acquired companies, expansion of market coverage, diversification of service portfolio, integration of value-added services and improvement of management efficiency.

The management confirmed that there was no significant goodwill impairment risk as of 30 June 2020.

Trade and other receivables and prepayments

As of 30 June 2020, trade and other receivables and prepayments (including current and non-current portions) amounted to RMB3,211.9 million, representing an increase of 46.7% from RMB2,189.3 million as of 31 December 2019. It was mainly due to the effect of the consolidation of CMIG PM and the increase of business scale and improvement of cash collection of the Group at the same time.

Trade and other payables

As of 30 June 2020, trade and other payables (including current and non-current portions) amounted to RMB3,280.1 million, representing an increase of 86.7% as compared with RMB1,757.0 million as of 31 December 2019. It was primarily attributable to (i) the increase in the GFA under management and subcontracting of more services to third-party service providers so as to enhance professional level; and (ii) the increase of trade and other payables brought by acquired companies.

Borrowings

As of 30 June 2020, the Group had short-term borrowings of RMB270.3 million with a term of less than one year and borrowings of RMB84.4 million with a term of more than one year. Details of the Group's borrowings as at 30 June 2020 are set out in note 20 to the interim financial information contained in this report.

Gearing ratio

The gearing ratio is calculated as total borrowings divided by total equity, which is the sum of long-term and short-term interest bearing bank loans and other loans as of the corresponding date divided by the total equity as of the same date. As of 30 June 2020, the gearing ratio was 4.7%.

Current and deferred income tax liabilities

As of 30 June 2020, the current income tax of the Group amounted to RMB345.5 million, representing an increase of 11.6% as compared with RMB309.6 million as of 31 December 2019, which was primarily attributable to the increase of profit before tax of the Group. Deferred income tax liabilities increased to RMB242.5 million from RMB84.0 million as of 31 December 2019, which was primarily attributable to the deferred tax liabilities recognised on temporary differences arising from the M&A.

Proceeds from the Listing

The Company's H Shares were listed on the Main Board of Hong Kong Stock Exchange on 9 February 2018 (the "Listing"), with a total of 333,334,000 new H Shares issued. After deducting the underwriting fees and relevant expenses, net proceeds from the Listing amounted to approximately HK\$3,958.8 million (equivalent to RMB3,199.3 million).

The intended uses of the net proceeds as set out in the prospectus of the Company dated 29 January 2018 (the "Prospectus") were allocated in the following manner:

- approximately 65% will be used to pursue selective strategic investment and acquisition opportunities and to further develop strategic alliances;
- approximately 10% will be used to further develop the one-stop service platform of the Group;
- approximately 15% will be used to develop the "management digitalization, service specialization, procedure standardization and operation automation" of the Group; and
- approximately 10% will be used for working capital and general corporate purposes.

As set out in the announcement of change in use of proceeds from the global offering dated 15 August 2019 (the "Announcement"), the Group adjusted the intended use and allocation of the net proceeds on 15 August 2019. As set out in the Announcement, the unused proceeds were intended to be allocated and used as follows:

- approximately 85% will be used to pursue selective strategic investment and acquisition opportunities and further develop strategic alliances — inject capital into subsidiary companies, acquire (including injecting capital into subsidiary companies for acquisitions) other property management companies and other companies in related businesses and invest in property management industry funds jointly with our business partners;
- approximately 5% will be used to further develop the one-stop service platform of the Group and develop the "management digitalization, service specialization, procedure standardization and operation automation" of the Group; and
- approximately 10% will be used for working capital and general corporate purposes.

Management Discussion and Analysis (continued)

Use of the net proceeds (percentage of the allocation)	Planned use of the net proceeds RMB million	Amount of the net proceeds used as at 31 December 2019 RMB million	Amount of the net proceeds used during the Period RMB million	Amount of the net proceeds used as at 30 June 2020 ⁽¹⁾ RMB million	Remaining balance of the net proceeds as at 30 June 2020 RMB million	Expected timeline for utilising the remaining unused net proceeds ⁽²⁾ Day/month/year
<ul style="list-style-type: none"> Pursue selective strategic investment and acquisition opportunities and further develop strategic alliances (85%) <ul style="list-style-type: none"> – Inject capital into subsidiary companies, acquire (including injecting capital into subsidiary companies for acquisitions) other property management companies and other companies in related businesses and invest in property management industry funds jointly with our business partners 	2,719.4	2,303.0	314.6	2,617.6 ⁽³⁾	101.8	On or before 31 December 2022
<ul style="list-style-type: none"> Further develop the one-stop service platform of the Group and develop “management digitalization, service specialization, procedure standardization and operation automation” of the Group (5%) 	160.0	14.6	0.0	14.6	145.4	On or before 31 December 2022
<ul style="list-style-type: none"> Working capital and general corporate purposes (10%) 	319.9	304.7	0.1	304.8	15.1	On or before 31 December 2022
Total	3,199.3	2,622.3	314.7	2,937.0	262.3	

(1) Such used proceeds were allocated in accordance with the purposes set out in the Prospectus and the Announcement.

(2) The expected timeline for utilising the remaining unused proceeds is based on the best estimation of the present and future business market conditions in the PRC made by the Board. It will be subject to change based on the current and future development of the market conditions.

(3) As of 30 June 2020, the Group has used approximately RMB2,617.6 million to pursue selective strategic investment and acquisition opportunities and further develop strategic alliances, including RMB1,332.0 million for injecting capital into subsidiaries, RMB1,045.6 million for acquiring (including injecting capital into subsidiaries for acquisitions) other property management companies and other companies in related businesses and RMB240.0 million for investing in property management industry funds jointly with our business partners.

The Directors are not aware of any material change to the planned use of net proceeds as at the date of this report. The unutilised net proceeds and its following intended timeframe for utilisation will be applied in the manner consistent with that mentioned in the Announcement. The unutilised net proceeds are currently held as bank deposits and will be used according to the distribution as set out in the Announcement.

Pledge of assets

As of 30 June 2020, the Group had pledged certain property, plant and equipment of its subsidiaries for its loan guarantee. Details of the Group's pledge of assets as at 30 June 2020 are set out in note 13 to the interim financial information contained in this report.

Major acquisitions

On 25 September 2019, the Company entered into an equity transfer agreement in relation to, inter alia, the acquisition of the 60% equity interest in CMIG PM at a consideration of approximately RMB1.56 billion. On 12 December 2019, the Company entered into an equity transfer agreement to acquire 60% equity interest in Minrui Property Management (Shanghai) Co., Ltd.* (民瑞物業服務(上海)有限公司) ("New CMIG PM") at a variable consideration of not more than RMB500 million, on the basis that the conditions to the execution of such agreement (including completion of the Reorganisation) have been fulfilled. The consideration for these acquisitions was determined with reference to 12.5 times of the net profit guarantee set out in the relevant agreements. The consideration for these acquisitions was determined after arm's length negotiations between the parties and was funded by internal resources of the Group. Upon completion of the acquisition of equity interest in CMIG PM by the Company in the first half of 2020, CMIG PM has now become a non-wholly owned subsidiary of the Group.

CMIG PM and New CMIG PM have established an extensive presence in economically developed city clusters across the country, covering a wide range of business portfolios such as public buildings, commercial offices and residential properties. They have several leading brands in the niche property markets to manage numerous city landmark projects, and have leading market shares and strong brand reputation in public buildings and other niche markets in different regions nationwide. Upon completion of these acquisitions, CMIG PM and New CMIG PM can effectively complement the Group's existing businesses and geographical presence, consolidate its leading position and create synergies. In addition, these acquisitions can effectively enhance the management scale, profitability and brand competitiveness of the Group, thereby strengthening the Group's position as a leading property management service enterprise with nationwide layout, comprehensive business portfolio and reputable brands.

Major disposals

During the Period, the Group had no material disposals of subsidiaries and associated companies.

Major investment

During the Period, the Group held no major investment.

Contingent liabilities

As of 30 June 2020, the Group had no significant contingent liabilities.

Foreign exchange risk

The Group's businesses are principally conducted in RMB, except that receipts of proceeds from listing on the Main Board of the Hong Kong Stock Exchange are in other currency. In 2018, the Company has exchanged most of the proceeds from the Listing into Renminbi in tranches. As of 30 June 2020, the Group had no significant exchange rate risk.

Employees and remuneration policies

As at 30 June 2020, the Group had 50,851 employees, representing an increase of 76.7% as compared with 28,771 employees as at 31 December 2019. Total staff costs amounted to RMB1,600.1 million, representing an increase of 65.7% as compared with that of RMB965.6 million in the corresponding period of 2019. The increase in staff costs was mainly due to (i) the increase brought by the acquired companies; (ii) the rapid development of the community value-added services, the expansion of the GFA to projects from the third-party developers, etc., leading to a significant increase in employee remuneration; (iii) the increased demand for high-quality talents in response to the requirements of the Group's business development.

The compensation plan of the Group is determined with reference to the market levels as well as employees' performance and contributions. Bonuses are also distributed based on the performance of employees. The Group also provides employees with a comprehensive benefit package and career development opportunities, including retirement schemes, medical benefits, and both internal and external training programs appropriate to the employees' needs.

Apart from taking into account the advice from the remuneration and appraisal committee of the Board and the market levels, the Company also considers the competency, contributions and the responsibilities towards the Company in determining the level of remuneration for Directors. Appropriate benefit schemes are in place for the Directors.

Subsequent events

A formal approval from the CSRC on the application submitted by the Company to the CSRC regarding the H share full circulation and the issue of additional overseas listed foreign shares has been received on 1 July 2020 (the "Approval"), pursuant to which (i) the Company is allowed to convert up to an aggregate of 900,000,000 domestic shares and unlisted foreign shares ("Converted H Shares") into overseas listed shares of the Company for the listing thereof on the Hong Kong Stock Exchange (the "Conversion and Listing"); and (ii) the Company is allowed to issue no more than 86,666,800 overseas listed foreign shares of the Company (the "Share Issue"), all of which are ordinary shares having a par value of RMB1 each. The Approval shall be valid for 12 months from 24 June 2020.

On 23 July 2020, the Company obtained the approval for the listing of and for permission to deal in 900,000,000 Converted H Shares. The Conversion and Listing was completed on 28 July 2020. Share certificates for the Converted H Shares were despatched to the relevant shareholders of the Company on 28 July 2020 and the listing of the Converted H Shares on the Hong Kong Stock Exchange commenced at 9:00 a.m. on 29 July 2020. The holders of domestic shares of the Company can only conduct share trading after the arrangement procedures, as stated in the announcement of the Company dated 23 July 2020, relating to the registration, depositary and transaction settlement of the Conversion and Listing are completed. In addition, as at the date of this report, the Company does not have any details of the implementation plan of the Share Issue. If there is any material progress of the Share Issue, the Company will make further announcement on the progress in compliance with the regulatory requirements.

Corporate Governance

Corporate Governance Practices

The Board is committed to maintaining high corporate governance standards.

The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of the Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Board currently comprises eight members, with three executive Directors, two non-executive Directors and three independent non-executive Directors. Each of the independent non-executive Directors either possesses professional qualifications or experiences in various areas of financial accounting or property management. The Board holds at least four physical Board meetings every year. The Board will review the corporate governance practices of the Group from time to time with an aim to meet international best practices.

The Company has been reporting the business performance and latest development of the Group to its Shareholders and investors through various channels and platforms and a briefing on the businesses of the Company and the question and answer session are available in the annual general meeting of the Company allowing the Shareholders to have a better understanding of the Group's strategies and goals.

Review of interim results

The Company's audit committee has reviewed the unaudited interim results of the Group for the six months ended 30 June 2020.

The interim results of the Group for the six months ended 30 June 2020 had not been audited but had been reviewed by PricewaterhouseCoopers, the auditor of the Company, 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.

Compliance with the Model Code for Securities Transactions by Directors and Supervisors

The Company has adopted a code for securities transactions by the Directors and a code for securities transactions by supervisors of the Company (the "Supervisors") as its own codes of conduct governing Directors' and Supervisors' dealings in the Company's securities (the "Securities Dealing Codes") on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

Specific enquiry has been made of all the Directors and Supervisors and they have confirmed that they had complied with the Securities Dealing Codes during the six months ended 30 June 2020.

The Company has also established written guidelines (the “Employees Written Guidelines”) on terms no less exacting than the Model Code for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance with the Employees Written Guidelines by the employees was noted by the Company during the six months ended 30 June 2020.

Compliance with the Corporate Governance Code

The Company has adopted the principles and code provisions as set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Listing Rules.

The Board reviewed the Company’s corporate governance practices and is satisfied that the Company has been in full compliance with all the applicable code provisions set out in the CG Code during the six months ended 30 June 2020 save for code provision A.2.1 of the CG Code.

Code provision A.2.1 of the CG Code requires that the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the six months ended 30 June 2020 and prior to 21 July 2020, in view of the then composition of the Board, Mr. Huang Fengchao’s in-depth knowledge of the operations of the Group and of the industry, his extensive business network and connections in the sector and the scope of operations of the Group, Mr. Huang Fengchao had been the co-chairman, president (general manager) and chief executive officer of the Company to provide strong and consistent leadership for the development of the Group.

The Group has been dedicated to enhancing corporate governance and continuously optimized the corporate structure. With effect from 21 July 2020, the roles of the co-chairman of the Board have been assumed by Mr. Chan Cheuk Hung and Mr. Huang Fengchao while the president (general manager) and chief executive officer of the Company has been assumed by Mr. Li Dalong. All applicable code provisions set out in the CG Code have been in full compliance since 21 July 2020.

Other Information

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

As of 30 June 2020, the interests and short positions of the Directors, the Supervisors and chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), which were required to be notified to the Company and the Hong Kong 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 as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Securities Dealing Codes, were as follows:

(i) Interest in Shares of the Company

Name of Director	Nature of Interest	Class of Shares ⁽¹⁾	Number of Shares ⁽²⁾	Approximate Percentage of the Relevant Class of Shares in Issue	Approximate Percentage of the Company's Issued Share Capital
Mr. Chan Cheuk Hung ⁽³⁾	Beneficiary of a trust	Unlisted shares	720,000,000(L)	80.00%	54.00%
Mr. Huang Fengchao ⁽⁴⁾	Interest of a controlled corporation	Unlisted shares	80,000,000(L)	8.89%	6.00%

Notes:

- (1) Unlisted shares of the Company include domestic shares and unlisted foreign shares of the Company.
- (2) The letter "L" denotes the person's long position in the shares.
- (3) Mr. Chan Cheuk Hung is the beneficiary of a family trust ("Chen's Family Trust", which is deemed to be interested in 720,000,000 unlisted shares of the Company). Therefore, Mr. Chan Cheuk Hung is deemed under the SFO to be interested in the shares of the Company held by Chen's Family Trust.
- (4) Mr. Huang Fengchao is a limited partner of and owns 49.9% interest in Gongqingcheng A-Living Investment Management Limited Partnership* 共青城雅生活投资管理合夥企業 (有限合夥) ("Gongqingcheng Investment") which owns 80,000,000 unlisted shares of the Company. Hence, Mr. Huang Fengchao is deemed under the SFO to be interested in the shares of the Company held by Gongqingcheng Investment.

* for identification purposes only

Other Information (continued)

(ii) Interest in Shares of Associated Corporation of the Company

Name of Director	Name of Associated Corporation	Nature of Interest	Number of Shares	Approximate Percentage of Shareholding Interest
Mr. Chan Cheuk Hung	Agile Group Holdings Limited	Beneficiary of a trust	2,453,096,250(L)	62.63%
Mr. Huang Fengchao	Agile Group Holdings Limited	Beneficial owner	1,400,000(L)	0.04%
Ms. Yue Yuan	Agile Group Holdings Limited	Beneficial owner	22,000(L)	0.00%

Note: The letter "L" denotes the person's long position in the shares.

Save as disclosed above, as of 30 June 2020, neither any of the Directors, the Supervisors nor the chief executives had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Hong Kong 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 (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Securities Dealing Codes.

Substantial Shareholders' Interests and Short Positions in Shares or Underlying Shares of the Company

So far as known to any Director or chief executives of the Company, as of 30 June 2020, the persons (other than Directors, Supervisors or chief executives of the Company) or corporations who had interest or short positions in the shares and underlying shares of the Company which were required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

Name of Shareholder	Nature of Interest	Class of Shares ⁽¹⁾	Number of Shares ⁽²⁾	Approximate Percentage of the Relevant Class of Shares in Issue	Approximate Percentage of the Company's Issued Share Capital
Zhongshan A-Living Enterprises Management Services Co., Ltd.* (中山雅生活企業管理服務有限公司)	Beneficial owner	Unlisted shares	712,800,000(L)	79.20%	53.46%
Deluxe Star International Limited ⁽³⁾	Interest of a controlled corporation	Unlisted shares	712,800,000(L)	79.20%	53.46%
	Beneficial owner	Unlisted shares	7,200,000(L)	0.80%	0.54%

* for identification purposes only

Name of Shareholder	Nature of Interest	Class of Shares ⁽¹⁾	Number of Shares ⁽²⁾	Approximate Percentage of the Relevant Class of Shares in Issue	Approximate Percentage of the Company's Issued Share Capital
Makel International (BVI) Limited ⁽⁴⁾	Interest of a controlled corporation	Unlisted shares	720,000,000(L)	80.00%	54.00%
Genesis Global Development (BVI) Limited ⁽⁵⁾	Interest of a controlled corporation	Unlisted shares	720,000,000(L)	80.00%	54.00%
Eastern Supreme Group Holdings Limited ⁽⁶⁾	Interest of a controlled corporation	Unlisted shares	720,000,000(L)	80.00%	54.00%
Agile Group Holdings Limited ⁽⁷⁾	Interest of a controlled corporation	Unlisted shares	720,000,000(L)	80.00%	54.00%
Full Choice Investments Limited ⁽⁸⁾	Trustee of a trust	Unlisted shares	720,000,000(L)	80.00%	54.00%
Top Coast Investment Limited ⁽⁹⁾	Interest of a controlled corporation	Unlisted shares	720,000,000(L)	80.00%	54.00%
Mr. Chen Zhuo Lin ⁽¹⁰⁾	Beneficiary of a trust	Unlisted shares	720,000,000(L)	80.00%	54.00%
Mr. Chan Cheuk Yin ⁽¹⁰⁾	Beneficiary of a trust	Unlisted shares	720,000,000(L)	80.00%	54.00%
Ms. Luk Sin Fong, Fion ⁽¹⁰⁾	Beneficiary of a trust	Unlisted shares	720,000,000(L)	80.00%	54.00%
Mr. Chan Cheuk Hei ⁽¹⁰⁾	Beneficiary of a trust	Unlisted shares	720,000,000(L)	80.00%	54.00%
Mr. Chan Cheuk Nam ⁽¹⁰⁾	Beneficiary of a trust	Unlisted shares	720,000,000(L)	80.00%	54.00%
Ms. Zheng Huiqiong ⁽¹¹⁾	Spouse	Unlisted shares	720,000,000(L)	80.00%	54.00%
Ms. Lu Liqing ⁽¹²⁾	Spouse	Unlisted shares	720,000,000(L)	80.00%	54.00%
Ms. Lu Yanping ⁽¹³⁾	Spouse	Unlisted shares	720,000,000(L)	80.00%	54.00%
Ms. Chan Siu Na ⁽¹⁴⁾	Spouse	Unlisted shares	720,000,000(L)	80.00%	54.00%
Ningbo Lvjin Investment Management Co., Ltd.* (寧波綠瓏投資管理有限公司)	Beneficial owner	Unlisted shares	100,000,000(L)	11.11%	7.50%
Greenland Financial Holdings Group Co., Ltd. ⁽¹⁵⁾	Interest of a controlled corporation	Unlisted shares	100,000,000(L)	11.11%	7.50%
Greenland Holding Group* (綠地控股集團有限公司) ⁽¹⁶⁾	Interest of a controlled corporation	Unlisted shares	100,000,000(L)	11.11%	7.50%
Greenland Holdings Group Company Limited* (綠地控股集團股份有限公司) ("Greenland Holdings") ⁽¹⁷⁾	Interest of a controlled corporation	Unlisted shares	100,000,000(L)	11.11%	7.50%

* for identification purposes only

Other Information (continued)

Name of Shareholder	Nature of Interest	Class of Shares ⁽¹⁾	Number of Shares ⁽²⁾	Approximate Percentage of the Relevant Class of Shares in Issue	Approximate Percentage of the Company's Issued Share Capital
Gongqingcheng A-Living Investment Management Limited Partnership* (共青城雅生活投資管理合夥企業(有限合夥)) ("Gongqingcheng Investment")	Beneficial owner	Unlisted shares	80,000,000(L)	8.89%	6.00%
Gongqingcheng Yagao Investment Management Co., Ltd.* (共青城雅高投資管理有限公司) ⁽¹⁸⁾	Interest of a controlled corporation	Unlisted shares	80,000,000(L)	8.89%	6.00%
Pan Zhiyong ⁽¹⁹⁾	Interest of a controlled corporation	Unlisted shares	80,000,000(L)	8.89%	6.00%
BlackRock, Inc.	Interest of a controlled corporation	H shares	27,764,143(L) 83,500(S)	6.41% 0.02%	2.08% 0.01%
Credit Suisse Group AG	Interest of a controlled corporation	H shares	25,139,998(L) 14,139,745(S)	5.80% 3.26%	1.89% 1.06%
	Investment manager		950,000(L)	0.22%	0.07%
CITIC Securities Company Limited ⁽²⁰⁾	Underwriter	H shares	25,000,000(L) 25,000,000(S)	5.77% 5.77%	1.87% 1.87%
	Interest of a controlled corporation		912,750(L) 912,750(S)	0.21% 0.21%	0.07% 0.07%
Citigroup Inc. ⁽²¹⁾	Person having a security interest in shares	H shares	2,193,000(L)	0.51%	0.16%
	Interest of a controlled corporation		2,660,754(L) 2,375,652(S)	0.61% 0.55%	0.20% 0.18%
	Approved lending agent		18,180,970(P)	4.20%	1.36%
Ninety One UK Limited	Investment manager	H shares	22,929,500(L)	5.29%	1.72%
Brown Brothers Harriman & Co.	Agent	H shares	21,744,188(L) 21,744,188(P)	5.02% 5.02%	1.63% 1.63%
State Street Bank & Trust Company	Approved lending agent	Others	25,490,197(P)	5.88%	1.91%

Notes:

- (1) Unlisted shares of the Company include domestic shares and unlisted foreign shares of the Company.
- (2) The letters "L", "S" and "P" respectively denote the person's/corporation's long position, short position and lending pool position in the shares.
- (3) Zhongshan A-Living Enterprises Management Services Co., Ltd.* is wholly-owned by Deluxe Star International Limited and Deluxe Star International Limited is deemed under the SFO to be interested in the shares of the Company held by Zhongshan A-Living Enterprises Management Services Co., Ltd.*
- (4) Deluxe Star International Limited is wholly-owned by Makel International (BVI) Limited and Makel International (BVI) Limited is deemed under the SFO to be interested in the shares of the Company held by Deluxe Star International Limited.

* for identification purposes only

- (5) Makel International (BVI) Limited is wholly-owned by Genesis Global Development (BVI) Limited and Genesis Global Development (BVI) Limited is deemed under the SFO to be interested in the shares of the Company held by Makel International (BVI) Limited.
- (6) Genesis Global Development (BVI) Limited is wholly-owned by Eastern Supreme Group Holdings Limited and Eastern Supreme Group Holdings Limited is deemed under the SFO to be interested in the shares of the Company held by Genesis Global Development (BVI) Limited.
- (7) Eastern Supreme Group Holdings Limited is wholly-owned by Agile Group Holdings Limited and Agile Group Holdings Limited is deemed under the SFO to be interested in the shares of the Company held by Eastern Supreme Group Holdings Limited.
- (8) Full Choice Investments Limited is the trustee of Chen's Family Trust, therefore, Full Choice Investments Limited is deemed under the SFO to be interested in the shares of the Company held by Chen's Family Trust.
- (9) Top Coast Investment Limited is the settlor of Chen's Family Trust, therefore, Top Coast Investment Limited is deemed under the SFO to be interested in the shares of the Company held by Chen's Family Trust.
- (10) Each of Mr. Chen Zhuo Lin, Mr. Chan Cheuk Yin, Ms. Luk Sin Fong, Fion, Mr. Chan Cheuk Hung, Mr. Chan Cheuk Hei and Mr. Chan Cheuk Nam is the beneficiary of Chen's Family Trust, therefore, Mr. Chen Zhuo Lin, Mr. Chan Cheuk Yin, Ms. Luk Sin Fong, Fion, Mr. Chan Cheuk Hung, Mr. Chan Cheuk Hei and Mr. Chan Cheuk Nam are deemed under the SFO to be interested in the shares of the Company held by Chen's Family Trust. In addition, by virtue of the SFO, Ms. Luk Sin Fong, Fion is deemed to be interested in the shares of the Company held by her spouse, Mr. Chen Zhuo Lin.
- (11) By virtue of the SFO, Ms. Zheng Huiqiong is deemed to be interested in the shares of the Company held by her spouse, Mr. Chan Cheuk Yin.
- (12) By virtue of the SFO, Ms. Lu Liqing is deemed to be interested in the shares of the Company held by her spouse, Mr. Chan Cheuk Hung.
- (13) By virtue of the SFO, Ms. Lu Yanping is deemed to be interested in the shares of the Company held by her spouse, Mr. Chan Cheuk Hei.
- (14) By virtue of the SFO, Ms. Chan Siu Na is deemed to be interested in the shares of the Company held by her spouse, Mr. Chan Cheuk Nam.
- (15) Ningbo Lvjin Investment Management Co., Ltd.* is wholly-owned by Greenland Financial Holdings Group Co., Ltd., and Greenland Financial Holdings Group Co., Ltd. is deemed under the SFO to be interested in the shares of the Company held by Ningbo Lvjin Investment Management Co., Ltd.*.
- (16) Greenland Financial Holdings Group Co., Ltd. is wholly-owned by Greenland Holding Group* and Greenland Holding Group* is deemed to be interested in the shares of the Company held by Greenland Financial Holdings Group Co., Ltd.
- (17) Greenland Holding Group* is wholly-owned by Greenland Holdings, and Greenland Holdings is deemed under the SFO to be interested in the shares held by Greenland Holding Group*.
- (18) Gongqingcheng Yagao Investment Management Co., Ltd.* is a general partner of and has full control over Gongqingcheng Investment. Gongqingcheng Yagao Investment Management Co., Ltd.* is deemed to be interested in the shares of the Company held by Gongqingcheng Investment.
- (19) Gongqingcheng Yagao Investment Management Co., Ltd.* is wholly-owned by Mr. Pan Zhiyong, and Mr. Pan Zhiyong is a senior management member of Agile Group Holdings Limited. Mr. Pan Zhiyong is deemed under the SFO to be interested in the shares of the Company held by Gongqingcheng Yagao Investment Management Co., Ltd.*
- (20) CLSA Limited and CSI Capital Management Limited are wholly-owned by CITIC Securities Company Limited and CITIC Securities Company Limited is deemed under the SFO to be interested in the shares of the Company held by CLSA Limited and CSI Capital Management Limited.
- (21) Citibank, N.A. is wholly-owned by Citigroup Inc, while Citigroup Global Markets Limited is a subsidiary of Citigroup Inc. Hence, Citigroup Inc. is deemed under the SFO to be interested in the shares of the Company held by Citibank, N.A. and Citigroup Global Markets Limited.

* for identification purposes only

Other Information (continued)

Save as disclosed above, as of 30 June 2020, the Directors, the Supervisors and the chief executives of the Company are not aware of any other person or corporation having an interest or short position in the shares and underlying shares of the Company which would require to be disclosed to the Company under the provisions of Division 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.

Purchase, Sale or Redemption of the Company's Listed Securities

During the six months ended 30 June 2020, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Changes in Board Composition

1. Mr. Huang Fengchao has resigned as the president (general manager) and chief executive officer of the Company with effect from 21 July 2020. He has been appointed as the chairman of the nomination committee of the Board since 21 July 2020.
2. Mr. Li Dalong has been appointed as an executive Director, the president (general manager) and chief executive officer of the Company since 21 July 2020. He is also a member of each of the remuneration and appraisal committee, the nomination committee and the risk management committee of the Board.
3. Mr. Feng Xin has retired as an executive Director with effect from 21 July 2020.
4. Ms. Wong Chui Ping Cassie has been appointed as an independent non-executive Director since 21 July 2020. She is also a member of each of the audit committee, the remuneration and appraisal committee and the nomination committee of the Board.
5. Mr. Wan Sai Cheong, Joseph has retired as an independent non-executive Director with effect from 21 July 2020.

Changes in Information of Directors, Supervisors and Chief Executives of the Company

Pursuant to Rule 13.51B of the Listing Rules, the change in information of Directors, Supervisors and chief executives of the Company is set out below:

1. Mr. Wang Gonghu has been appointed as the general manager of Suzhou Yangtze New Materials Co., Ltd. (蘇州揚子江新型材料股份有限公司) (stock code of Shenzhen Stock Exchange: 002652) with effect from 28 May 2020.

Interim Dividend

The Board did not recommend any payment of interim dividend for the six months ended 30 June 2020 (for the six months ended 30 June 2019: nil).

Interim Condensed Consolidated Statement of Comprehensive Income

(All amounts in RMB thousands unless otherwise stated)

	Notes	Six months ended 30 June	
		2020 RMB'000 (Unaudited)	2019 RMB'000 (Unaudited)
Revenue	5	4,001,627	2,241,228
Cost of sales	6	(2,726,261)	(1,411,776)
Gross profit		1,275,366	829,452
Selling and marketing costs	6	(28,991)	(18,173)
Administrative expenses	6	(221,059)	(124,737)
Net impairment losses on financial assets	16(b)	(20,679)	(9,833)
Other income	8	94,715	63,356
Other gains — net	9	40,200	6,503
Operating profit		1,139,552	746,568
Finance costs — net	10	(20,457)	(1,909)
Share of post-tax profits of joint ventures and associates	15	21,974	5,816
Profit before income tax		1,141,069	750,475
Income tax expenses	11	(267,885)	(182,084)
Profit and total comprehensive income for the period		873,184	568,391
Profit and total comprehensive income attributable to:			
— Shareholders of the Company		757,954	541,314
— Non-controlling interests		115,230	27,077
		873,184	568,391
Earnings per share (expressed in RMB per share)			
— Basic and diluted earnings per share	12	0.57	0.41

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Balance Sheet

(All amounts in RMB thousands unless otherwise stated)

	Notes	As at 30 June 2020 RMB'000 (Unaudited)	As at 31 December 2019 RMB'000 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	13	241,659	159,306
Right-of-use assets		43,462	24,620
Other intangible assets	14	1,006,036	384,456
Goodwill	14	2,133,170	1,370,928
Deferred income tax assets		27,741	9,836
Investments accounted for using the equity method	15	802,574	583,634
Financial assets at fair value through other comprehensive income	17	27,881	—
Financial assets at fair value through profit or loss	17	—	170
Prepayments	16	29,612	30,998
		4,312,135	2,563,948
Current assets			
Inventories		16,709	12,364
Trade and other receivables and prepayments	16	3,182,322	2,158,349
Loans and interest receivables due from related parties	25(e)	206,000	—
Financial assets at fair value through profit or loss	17	204,190	440,211
Cash and cash equivalents		4,882,015	4,207,260
Restricted cash		26,879	5,383
		8,518,115	6,823,567
Total assets		12,830,250	9,387,515
Equity			
Share capital	18	1,333,334	1,333,334
Reserves	19	3,302,424	3,271,410
Retained earnings		1,715,983	1,586,100
Capital and reserves attributable to the shareholders of the Company		6,351,741	6,190,844
Non-controlling interests		1,264,741	314,841
Total equity		7,616,482	6,505,685

Interim Condensed Consolidated Balance Sheet *(continued)*
(All amounts in RMB thousands unless otherwise stated)

	Notes	As at 30 June 2020 RMB'000 (Unaudited)	As at 31 December 2019 RMB'000 (Audited)
Liabilities			
Non-current liabilities			
Borrowings	20	84,366	5,400
Other payables	21	50,398	18,524
Lease liabilities		21,534	13,344
Financial liabilities for put option written on non-controlling interests	17	62,861	70,436
Deferred income tax liabilities		242,477	83,974
		461,636	191,678
Current liabilities			
Trade and other payables	21	3,229,701	1,738,456
Contract liabilities		870,039	614,005
Current income tax liabilities		345,501	309,600
Borrowings	20	270,299	15,900
Lease liabilities		22,611	12,191
Financial liabilities for put option written on non-controlling interests	17	13,981	—
		4,752,132	2,690,152
Total liabilities		5,213,768	2,881,830
Total equity and liabilities		12,830,250	9,387,515

The above condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

The financial statements on pages 39 to 86 were approved by the Board of Directors on 19 August 2020 and were signed on its behalf.

Chan Cheuk Hung
Director

Huang Fengchao
Director

Interim Condensed Consolidated Statement of Changes in Equity

(All amounts in RMB thousands unless otherwise stated)

	Attributable to shareholders of the Company				Non-controlling interests RMB'000	Total equity RMB'000	
	Notes	Share capital RMB'000 (Note 18)	Reserves RMB'000 (Note 19)	Retained earnings RMB'000			Total RMB'000
Balance at 1 January 2020 (Audited)		1,333,334	3,271,410	1,586,100	6,190,844	314,841	6,505,685
For the six months ended 30 June 2020 (Unaudited)							
Comprehensive income							
Profit for the period		—	—	757,954	757,954	115,230	873,184
Transactions with shareholders of the Company							
Dividends to shareholders of the Company		—	—	(600,000)	(600,000)	—	(600,000)
Dividends to the non-controlling shareholders		—	—	—	—	(52,324)	(52,324)
Acquisition of subsidiaries	24	—	—	—	—	884,586	884,586
Other transactions with non-controlling interests		—	2,943	—	2,943	2,408	5,351
Appropriation of statutory reserves	19(a)	—	28,071	(28,071)	—	—	—
		—	31,014	(628,071)	(597,057)	834,670	237,613
Balance at 30 June 2020 (Unaudited)		1,333,334	3,302,424	1,715,983	6,351,741	1,264,741	7,616,482
Balance at 1 January 2019 (Audited)		1,333,334	3,265,887	823,119	5,422,340	87,697	5,510,037
For the six months ended 30 June 2019 (Unaudited)							
Comprehensive income							
Profit for the period		—	—	541,314	541,314	27,077	568,391
Transactions with shareholders of the Company							
Dividends to shareholders of the Company		—	—	(400,000)	(400,000)	—	(400,000)
Dividends to the non-controlling shareholders		—	—	—	—	(16,884)	(16,884)
Put options granted during the acquisition of subsidiaries		—	(62,179)	—	(62,179)	—	(62,179)
Acquisition of subsidiaries		—	—	—	—	173,318	173,318
Appropriation of statutory reserves	19(a)	—	44,563	(44,563)	—	—	—
		—	(17,616)	(444,563)	(462,179)	156,434	(305,745)
Balance at 30 June 2019 (Unaudited)		1,333,334	3,248,271	919,870	5,501,475	271,208	5,772,683

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Cash Flows

(All amounts in RMB thousands unless otherwise stated)

	Notes	Six months ended 30 June	
		2020 RMB'000 (Unaudited)	2019 RMB'000 (Unaudited)
Cash flows from operating activities			
Cash generated from operations		1,380,379	652,604
Income tax paid		(281,156)	(115,576)
Net cash generated from operating activities		1,099,223	537,028
Cash flows from investing activities			
Acquisition of subsidiaries (net of cash and cash equivalent acquired)	24	(671,036)	(272,237)
Purchases of property, plant and equipment ("PPE")		(11,823)	(4,078)
Purchases of intangible assets		(630)	(5,040)
Purchases of financial assets at fair value through profit or loss		(1,847,065)	(1,436,420)
Proceeds from disposal of financial assets at fair value through profit or loss		2,317,559	1,215,001
Proceeds from disposal of financial assets at fair value through other comprehensive income		500	—
Investments in joint ventures and associates		(2,498)	(242,450)
Disposal of an associate		300,000	—
Disposal of a subsidiary		329	—
Loans to a third party		—	(300,000)
(Advance to)/Repayment from related parties		(54,962)	68,645
Proceeds from disposal of PPE		296	223
Changes in restricted bank deposits		4,993	(3,661)
Loans repayment from related parties		115,000	—
Interest received		29,632	5,661
Dividends received		19,772	3,445
Net cash generated from/(used in) investing activities		200,067	(970,911)
Cash flows from financing activities			
Transactions with non-controlling interests		5,263	—
Proceeds from borrowings		5,270	—
Repayments of borrowings		(13,588)	(1,350)
Cash advances from related parties		12,029	11,589
Principal elements and interest paid of lease payments		(13,457)	(9,884)
Interest paid		(1,963)	(668)
Dividends paid to shareholders		(553,599)	—
Dividends paid to non-controlling shareholders		(64,751)	(16,884)
Listing expenses paid		—	(6,957)
Net cash used in financing activities		(624,796)	(24,154)
Net increase/(decrease) in cash and cash equivalents			
Net cash and cash equivalents at 1 January		4,207,260	4,807,993
Effect of exchange rate changes on cash and cash equivalents		261	(236)
Cash and cash equivalents at 30 June		4,882,015	4,349,720

The above consolidated statement of cash flows should be read in conjunction with accompanying notes.

Notes to the Interim Financial Information

(All amounts in RMB thousands unless otherwise stated)

1 General information

The Company was established in the People's Republic of China (the "PRC") on 26 June 1997. On 21 July 2017, the Company was converted from a limited liability company into a joint stock company with limited liability. The address of the Company's registered office is Management Building, Xingye Road, Agile Garden, Sanxiang Town, Zhongshan, Guangdong Province, PRC.

The Company was listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 9 February 2018.

The Company's parent company is Zhongshan A-Living Enterprise Management Services Co., Ltd. ("Zhongshan A-Living"), an investment holding company established in the PRC, and its ultimate holding company is Agile Group Holdings Limited ("Agile Holdings"), a company incorporated in the Cayman Islands and its shares are listed on the Stock Exchange.

The Company and its subsidiaries (together the "Group") are primarily engaged in the provision of property management services and related value-added services in the PRC.

The outbreak of the 2019 Novel Coronavirus (the "COVID-19") had brought unprecedented challenges and added uncertainties to the economy. COVID-19 may affect the financial performance and position of the industry of property management. Since the outbreak of COVID-19, the Group kept continuous attention on the situation of the COVID-19 and reacted actively to its impact on the financial position and operating results of the Group. As at the date that the condensed consolidated interim financial information is authorised for issue, COVID-19 doesn't have any material adverse impact on the financial position and operating result of the Group.

These financial statements are presented in Renminbi, unless otherwise stated.

2 Basis of preparation

This condensed consolidated interim financial information for the six months ended 30 June 2020 ("Interim Financial Information") has been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

The Interim Financial Information does not include all the notes of the type normally included in an annual financial report. Accordingly, the Interim Financial Information is to be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2019 and any public announcements made by the Group during the interim reporting period.

3 Accounting policies

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the estimation of income tax (see Note 3(a)) and adoption of new and amended standards as set out below.

(a) Income taxes

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

3 Accounting policies (continued)

(b) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for the reporting period commencing 1 January 2020:

- Definition of Material — amendments to HKAS 1 and HKAS 8
- Definition of a Business — amendments to HKFRS 3
- Revised Conceptual Framework for Financial Reporting
- Interest Rate Benchmark Reform — amendments to HKFRS 9, HKAS 39 and HKFRS 7

The adoption of these new standards, amendments to standards and interpretations does not have significant impact to the results or financial position of the Group.

(c) New and amendments to existing standards have been issued but are not effective for the financial year beginning on 1 January 2020 and have not been early adopted by the Group

		Effective for accounting periods beginning on or after
Amendment to HKFRS 16	Leases — Covid-19 related rent concessions	1 June 2020
Amendments to HKAS 1	Presentation of financial statements on classification of liabilities	1 January 2022
Amendments to HKFRS 3	Business combinations	1 January 2022
Amendments to HKAS 16	Property, plant and equipment	1 January 2022
Amendments to HKAS 37	Provisions, contingent liabilities and contingent assets	1 January 2022
Annual improvements to HKFRS 1	First-time adoption of HKFRS	1 January 2022
Annual improvements to HKFRS 9	Financial instruments	1 January 2022
HKFRS 17	Insurance contract	1 January 2023
HKFRS 10 and HKAS 28 (Amendment)	Sale or contribution of assets between an investor and its associate or joint venture	To be determined

The Group has already commenced an assessment of the impact of these new or revised standards, interpretation and amendments, certain of which are relevant to the Group's operations.

4 Segment information

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

During the six months ended 30 June 2020 and 2019, the Group was principally engaged in the provision of property management services and related value-added services, including pre-delivery services, household assistance services, property agency services and other services, in the PRC.

All the acquired subsidiaries were principally engaged in the provision of property management services and related value-added services. Management reviews the operating results of the business of the acquired subsidiaries and the original business to make decisions about resources to be allocated. Therefore, the CODM of the Company regards that there are several operating segments, which are used to make strategic decisions.

For the six months ended 30 June 2020, all the segments are domiciled in the PRC and all the revenue are derived in the PRC, and the segments are principally engaged in the provision of similar services to similar customers. All operating segments of the Group were aggregated into a single operating segment.

As at 30 June 2020, all of the assets were located in the PRC except bank deposits of RMB291,583,000 in Hong Kong.

5 Revenue

Revenue mainly comprises proceeds from property management services and related value-added services. An analysis of the Group’s revenue by category for the six months ended 30 June 2020 was as follows:

	Timing of revenue recognition	Six months ended 30 June	
		2020 RMB'000 (Unaudited)	2019 RMB'000 (Unaudited)
Property management services	over time	2,619,590	1,227,486
Value-added services related to property management			
— Other value-added services	over time	1,363,640	1,007,585
— Sales of goods	at a point in time	18,397	6,157
		4,001,627	2,241,228

6 Expenses by nature

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Employee benefit expenses (Note 7)	1,600,084	965,636
Cleaning expenses	385,495	149,852
Security charges	270,856	97,202
Maintenance costs	152,274	59,874
Cost of consumables	104,067	35,762
Depreciation and amortisation charges	80,982	40,163
Utilities	74,009	59,396
Greening and gardening expenses	58,077	38,608
Office expenses	33,663	11,285
Travelling and entertainment expenses	32,224	24,432
Outsourced transportation and customer service charges	31,520	—
Consulting fees	24,500	6,692
Business taxes and other levies	21,884	15,137
Cost of goods sold	18,165	3,986
Advertising expenses	13,720	5,678
Operating lease payments	11,416	3,960
Labor protection fees	4,266	338
Auditor's remuneration	2,592	1,369
Others	56,517	35,316
	2,976,311	1,554,686

7 Employee benefit expenses

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Wages and salaries	1,419,796	800,609
Social insurance expenses (Note (a))	82,559	105,726
Housing benefits	30,149	20,479
Other employee benefits	67,580	38,822
Total (including emoluments of directors and supervisors)	1,600,084	965,636

- (a) Employees in the Group's PRC subsidiaries are required to participate in a defined contribution retirement scheme administered and operated by the local municipal government. The Group's PRC subsidiaries contribute funds which are calculated based on certain percentages of the average employee salary as agreed by local municipal government to the scheme to fund the retirement benefits of the employees.

The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contributions and the Group's contributions are not reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions.

8 Other income

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest income (Note (a))	45,399	49,959
Government grants (Note (b))	30,849	7,530
Tax incentives (Note (c))	7,457	4,143
Interest income of loans and interests receivable due from related parties (Note 25(e))	6,289	—
Miscellaneous	4,721	1,724
Total	94,715	63,356

- (a) Interest income was derived from bank deposit from reputable banks and wealth management products.
- (b) Government grants mainly consisted of financial subsidies granted by the local governments.
- (c) Tax incentives mainly included additional deduction of input value-added tax applicable to the Company and its certain subsidiaries.

9 Other gains — net

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Net investment income relating to financial assets at fair value through profit or loss	20,450	5,661
Fair value gains on financial assets at fair value through profit or loss — net	19,133	1,047
Miscellaneous	617	(205)
	40,200	6,503

10 Finance costs — net

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Finance costs:		
— Interest expense of borrowings	10,808	668
— Fair value loss on put options written on non-controlling interests	6,406	—
— Interest expense of amortisation of long-term payables	2,118	522
— Interest expense of lease liabilities	1,125	719
	20,457	1,909

11 Income tax expenses

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current income tax		
— PRC corporate income tax	282,819	222,015
Deferred income tax		
— PRC corporate income tax	(14,934)	(39,931)
	267,885	182,084

11 Income tax expenses (continued)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the group entities as follows:

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Profit before income tax	1,141,069	750,475
Tax charge at effective rate applicable to profits in the respective group entities	264,313	177,907
Tax effects of:		
— Tax losses for which no deferred income tax asset was recognised	3,490	—
— Expenses not deductible for tax purposes	3,131	5,631
— Associates' and joint ventures' results reported net of tax	(2,921)	(1,454)
— Others	(128)	—
	267,885	182,084

The effective income tax rate was 23% for the six months ended 30 June 2020 (six months ended 30 June 2019: 24%).

PRC corporate income tax

Income tax provision of the Group in respect of operations in Mainland China has been calculated at the applicable tax rate on the estimated assessable profits for the year, based on the existing legislation, interpretations and practices in respect thereof.

The corporate income tax rate applicable to the group entities located in Mainland China is 25% (six months ended 30 June 2019: 25%) according to the Corporate Income Tax Law of the PRC.

11 Income tax expenses (continued)

PRC corporate income tax (continued)

In 2018, Guangzhou Yatian Network Technology Co., Ltd. (“Guangzhou Yatian”) obtained the Certificate of High and New Technology Enterprise with valid period from 2017 to 2020. According to the Corporate Income Tax Law of the PRC, corporations which obtain the Certificate of High and New Technology Enterprise are entitled to enjoy additional tax deduction for research and development costs and a preferential corporate income tax rate of 15%. The tax rate applicable to Guangzhou Yatian during the six months ended 30 June 2020 was 15% (six months ended 30 June 2019: 15%). Zhuhai Hengqin Yaheng Engineering Consultancy Co., Ltd. has enjoyed a preferential policy in Zhuhai Hengqin (Free Trade Area) with an enterprise income tax rate of 15% during the six months ended 30 June 2020. Certain subsidiaries of the Group in the PRC are located in western cities and subject to a preferential income tax rate from 15% for certain years. Certain of the Group’s subsidiaries enjoy the preferential income tax treatment for Small and Micro Enterprise with the income tax rate of 20% and are eligible to have their tax calculated based on 25% or 50% of their taxable income. Certain subsidiaries of the Group in the PRC are located in Hainan Free Trade Port and subject to a preferential income tax rate from 15% for certain years (six months ended 30 June 2019: 25%).

Hong Kong income tax

No Hong Kong profits tax was applicable to the Group for the six months ended 30 June 2020. There were two Hong Kong incorporated subsidiaries during the six months ended 30 June 2020. No Hong Kong profits tax was provided for those two Hong Kong subsidiaries as there was no estimated assessable profits that was subject to Hong Kong profits tax during six months ended 30 June 2020 (six months ended 30 June 2019: nil).

12 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of ordinary shares deemed to be in issue during the six months ended 30 June 2020 and 2019.

The Company did not have any potential ordinary shares outstanding during the six months ended 30 June 2020 and 2019. Diluted earnings per share was equal to basic earnings per share.

	Six months ended 30 June	
	2020	2019
	(Unaudited)	(Unaudited)
Profit attributable to shareholders of the Company (RMB'000)	757,954	541,314
Weighted average number of ordinary shares deemed to be in issue (in thousands)	1,333,334	1,333,334
Basic earnings per share for profit attributable to the shareholders of the Company during the period (expressed in RMB per share)	0.57	0.41

13 Property, plant and equipment

	Buildings RMB'000	Transportation equipment RMB'000	Office equipment RMB'000	Machinery RMB'000	Total RMB'000
As at 31 December 2019 (Audited)					
Cost	124,868	23,914	21,625	62,368	232,775
Accumulated depreciation	(22,944)	(13,018)	(11,324)	(26,183)	(73,469)
Net book amount	101,924	10,896	10,301	36,185	159,306
Six months ended 30 June 2020 (Unaudited)					
Opening net book amount	101,924	10,896	10,301	36,185	159,306
Additions	194	5,475	1,670	4,484	11,823
Acquisition of subsidiaries (Note 24)	24,103	46,269	8,624	10,072	89,068
Disposals	—	(42)	(352)	(142)	(536)
Depreciation charge	(4,050)	(5,134)	(2,153)	(6,665)	(18,002)
Closing net book amount	122,171	57,464	18,090	43,934	241,659
As at 30 June 2020 (Unaudited)					
Cost	149,165	75,564	31,062	76,372	332,163
Accumulated depreciation	(26,994)	(18,100)	(12,972)	(32,438)	(90,504)
Net book amount	122,171	57,464	18,090	43,934	241,659
As at 31 December 2018 (Audited)					
Cost	65,101	17,484	20,252	35,253	138,090
Accumulated depreciation	(18,902)	(10,694)	(8,745)	(19,743)	(58,084)
Net book amount	46,199	6,790	11,507	15,510	80,006
Six months ended 30 June 2019 (Unaudited)					
Opening net book amount	46,199	6,790	11,507	15,510	80,006
Additions	46	560	959	2,513	4,078
Acquisition of subsidiaries	59,458	4,889	1,135	21,158	86,640
Disposals	—	(113)	(88)	(120)	(321)
Depreciation charge	(1,726)	(1,485)	(1,213)	(3,820)	(8,244)
Closing net book amount	103,977	10,641	12,300	35,241	162,159
As at 30 June 2019 (Unaudited)					
Cost	124,581	22,001	22,151	58,203	226,936
Accumulated depreciation	(20,604)	(11,360)	(9,851)	(22,962)	(64,777)
Net book amount	103,977	10,641	12,300	35,241	162,159

As at 30 June 2020, certain self-used PPE with net book value of RMB64,079,000 (31 December 2019: RMB56,764,000) were pledged as collateral for the Group's borrowings (Note 20).

14 Intangible assets and Goodwill

	Computer software RMB'000	Trademarks RMB'000	Customer relationship RMB'000	Subtotal RMB'000	Goodwill RMB'000 (Note (a))	Total RMB'000
As at 31 December 2019 (Audited)						
Cost	33,370	28,400	404,850	466,620	1,370,928	1,837,548
Accumulated amortisation	(9,304)	(10,734)	(62,126)	(82,164)	—	(82,164)
Net book amount	24,066	17,666	342,724	384,456	1,370,928	1,755,384
Six months ended 30 June 2020 (Unaudited)						
Opening net book amount	24,066	17,666	342,724	384,456	1,370,928	1,755,384
Additions	630	—	—	630	—	630
Acquisition of subsidiaries (Note 24)	1,728	—	670,446	672,174	762,242	1,434,416
Amortisation	(2,355)	(2,320)	(46,549)	(51,224)	—	(51,224)
Closing net book amount	24,069	15,346	966,621	1,006,036	2,133,170	3,139,206
As at 30 June 2020 (Unaudited)						
Cost	35,728	28,400	1,075,296	1,139,424	2,133,170	3,272,594
Accumulated amortisation	(11,659)	(13,054)	(108,675)	(133,388)	—	(133,388)
Net book amount	24,069	15,346	966,621	1,006,036	2,133,170	3,139,206

14 Intangible assets and Goodwill (continued)

	Computer software RMB'000	Trademarks RMB'000	Customer relationship RMB'000	Subtotal RMB'000	Goodwill RMB'000	Total RMB'000
As at 31 December 2018 (Audited)						
Cost	27,919	28,400	143,860	200,179	1,045,362	1,245,541
Accumulated amortisation	(6,183)	(6,093)	(21,455)	(33,731)	—	(33,731)
Net book amount	21,736	22,307	122,405	166,448	1,045,362	1,211,810
Six months ended 30 June 2019 (Unaudited)						
Opening net book amount	21,736	22,307	122,405	166,448	1,045,362	1,211,810
Additions	5,040	—	—	5,040	—	5,040
Acquisition of subsidiaries	1,363	—	260,815	262,178	316,544	578,722
Amortisation	(1,614)	(2,320)	(17,663)	(21,597)	—	(21,597)
Closing net book amount	26,525	19,987	365,557	412,069	1,361,906	1,773,975
As at 30 June 2019 (Unaudited)						
Cost	34,322	28,400	404,675	467,397	1,361,906	1,829,303
Accumulated amortisation	(7,797)	(8,413)	(39,118)	(55,328)	—	(55,328)
Net book amount	26,525	19,987	365,557	412,069	1,361,906	1,773,975

- (a) In March 2020, the Group completed the acquisition of 60% of the equity interests in CMIG Futurelife Property Management Limited ("CMIG PM") (Note 24). Total identifiable net assets of these entities acquired as at the acquisition date amounted to RMB1,682,344,000, including identified customer relationships of RMB670,446,000 recognised by the Group. The excess of the consideration transferred and the amount of the non-controlling interests in the acquisition over the fair value of the identifiable net assets acquired is recorded as goodwill.

As the result of management assessment, no impairment provision on goodwill was recognized as at 30 June 2020 (30 June 2019: nil).

15 Investments accounted for using the equity method

The carrying amount of equity-accounted investments has changed as follows in the six months ended 30 June 2020 and 2019:

	Six months ended 30 June 2020 RMB'000 (Unaudited)	Six months ended 30 June 2019 RMB'000 (Unaudited)
Beginning of the period	583,634	422
Additions	2,498	242,450
Additions arising from business combination (Note 24)	498,373	9,415
Profit for the period	21,974	5,816
Dividends received by the Group	(3,905)	(3,445)
Disposals (Note (a))	(300,000)	—
End of the period	802,574	254,658

(a) In March 2020, the Group disposed of an associate with cash consideration of RMB300,000,000.

16 Trade and other receivables and prepayments

	30 June 2020 RMB'000 (Unaudited)	31 December 2019 RMB'000 (Audited)
Trade receivables (Note (a))		
— Related parties (Note 25(d))	660,921	708,447
— Third parties	1,615,028	612,246
	2,275,949	1,320,693
Less: allowance for impairment of trade receivables	(89,838)	(44,169)
	2,186,111	1,276,524
Other receivables		
— Related parties (Note 25(d))	78,183	79,874
— Third parties	830,932	301,205
	909,115	381,079
Less: allowance for impairment of other receivables	(23,597)	(7,502)
	885,518	373,577
Dividend receivables (Note 25(d))	—	15,867
Prepayments		
— Related parties (Note 25(d))	2,482	436
— Third parties	137,823	522,943
	140,305	523,379
Less: non-current portion of prepayment	(29,612)	(30,998)
	3,182,322	2,158,349

16 Trade and other receivables and prepayments (continued)

- (a) Trade receivables mainly represented the receivables of outstanding property management service fee and the receivables of value-added service income.

Property management services income and value-added service income are received in accordance with the terms of the relevant services agreements, and due for payment upon the issuance of demand note.

In determining the recoverability of trade receivables from the property management and value-added services, the Group takes into consideration a number of indicators, including, among others, subsequent settlement status, historical write-off experience and management/service fee collection rate of the customers in estimating the future cashflows from the receivables.

- (b) During the six months ended 30 June 2020, impairment provision of RMB16,848,000 and RMB3,831,000 was made against the gross amount of trade receivables and other receivables, respectively (six months ended 30 June 2019: impairment provision of RMB8,885,000 and RMB948,000 was made against the gross amount of trade receivables and other receivables, respectively.).
- (c) As at 30 June 2020 and 31 December 2019, the aging analysis of the trade receivables based on invoice date were as follows:

	30 June 2020 RMB'000 (Unaudited)	31 December 2019 RMB'000 (Audited)
Trade receivables		
0-180 days	1,479,537	774,828
181-365 days	349,104	285,351
1 to 2 years	265,071	166,593
2 to 3 years	104,806	56,132
Over 3 years	77,431	37,789
	2,275,949	1,320,693

17 Fair value estimation

(a) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

Recurring fair value measurements

At 30 June 2020	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets				
Financial assets at fair value through profit or loss (FVPL)				
Wealth management products	—	—	82,248	82,248
Structural deposits	—	—	95,262	95,262
Hong Kong listed equity securities	22,389	—	—	22,389
Contingent consideration	—	—	4,291	4,291
	22,389	—	181,801	204,190
Financial assets at fair value through other comprehensive income (FVOCI)				
Unlisted equity securities	—	—	27,881	27,881
Total financial assets	22,389	—	209,682	232,071
Financial liabilities				
Financial liabilities for put option written on non-controlling interests (Note (i))	—	—	76,842	76,842
Total financial liabilities	—	—	76,842	76,842

17 Fair value estimation (continued)

(a) Fair value hierarchy (continued)

Recurring fair value measurements

At 31 December 2019

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets				
Financial assets at fair value through profit or loss (FVPL)				
Wealth management products	—	—	410,000	410,000
Structural deposits	—	—	20,006	20,006
Hong Kong listed equity securities	10,205	—	—	10,205
Contingent consideration	—	—	170	170
Total financial assets	10,205	—	430,176	440,381
Financial liabilities				
Financial liabilities for put option written on non-controlling interests (Note (i))	—	—	70,436	70,436
Total financial liabilities	—	—	70,436	70,436

(i) In March 2019, the Company entered into equity interests transfer agreement with the non-controlling interests of Harbin Jingyang Property Management Co., Ltd (“Jingyang”), pursuant to which, the Company issued put option to the non-controlling interests which grant its right to sell the 32% equity interest in Jingyang to the Company. The put option written on the non-controlling interests of Jingyang was then regarded as redemption liabilities determined as the present value of future cash outflows assuming the exercise of the put option by the non-controlling interests, with corresponding charges in equity.

In April 2019, the Company entered into equity interests transfer agreement with non-controlling interests of Qingdao Huaren Property Co., Ltd (“Huaren”), pursuant to which, the Company issued put option to the non-controlling interests which grant its right to sell the all remaining equity interest in Huaren to the Company. The put option written on the non-controlling interests of Huaren was then regarded as redemption liabilities determined as the present value of future cash outflows assuming the exercise of the put option by the non-controlling interests, with corresponding charges in equity.

The valuation of the redemption liabilities for initial recognition was determined using the discounted cash flow method under the income approach. The significant unobservable inputs are expected discount rate as at the exit date which was determined by the probability-weighted average of floating premiums under three financial projection scenarios prepared by management, and the expected discount rate which was determined using the capital asset pricing model. The redemption liabilities are subsequently accreted through “Financial expenses”.

17 Fair value estimation (continued)

(a) Fair value hierarchy (continued)

The different levels have been defined as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for some types of wealth management products, structural deposits, contingent consideration and put option liability.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques.

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the period. For transfers into and out of level 3 measurements see (b) below.

17 Fair value estimation (continued)

- (b) The Group's financial assets at fair values included unlisted equity securities, wealth management products, structural deposits and contingent consideration, fair value of which are estimated based on unobservable inputs (level 3). The following table presents the changes in level 3 instruments for six months ended 30 June 2020 and 30 June 2019:

	FVPL			FVOCI	Financial liabilities for put option written on non-controlling interests	Total
	Wealth management products	Structural deposits	Contingent consideration	Unlisted entity securities		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Opening balance as at 31 December 2019 (Audited)	410,000	20,006	170	—	(70,436)	359,740
Addition	860,065	987,000	—	—	—	1,847,065
Acquisition of subsidiaries	211,154	14,016	—	28,581	—	253,751
Gains recognised in profit or loss	20,362	2,916	4,121	—	—	27,399
Finance costs	—	—	—	—	(6,406)	(6,406)
Disposal	(1,419,333)	(928,676)	—	(700)	—	(2,348,709)
Closing balance as at 30 June 2020 (Unaudited)	82,248	95,262	4,291	27,881	(76,842)	132,840
Including unrealised gains/(finance costs) recognised in profit attributable to balances held at 30 June 2020	2,582	246	4,121	—	(6,406)	543

17 Fair value estimation (continued)

- (b) The Group's financial assets at fair values included unlisted equity securities, wealth management products, structural deposits and contingent consideration, fair value of which are estimated based on unobservable inputs (level 3). The following table presents the changes in level 3 instruments for six months ended 30 June 2020 and 30 June 2019: (continued)

	FVPL			Financial liabilities for put option written on non-controlling interests	Total
	Wealth management products	Structural deposits	Contingent consideration		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Opening balance as at 31 December 2018 (Audited)	—	—	—	—	—
Addition	218,420	1,218,000	—	(62,179)	1,374,241
Acquisition of subsidiaries	16,000	—	411	—	16,411
Gains recognised in profit or loss	1,058	5,650	—	—	6,708
Disposal	(21,172)	(1,199,490)	—	—	(1,220,662)
Closing balance as at 30 June 2019 (Unaudited)	214,306	24,160	411	(62,179)	176,698
Includes unrealised gains recognised in profit attributable to balances held at 30 June 2019	886	161	—	—	1,047

17 Fair value estimation (continued)

(c) Quantitative information about fair value measurements using significant unobservable inputs (Level 3) is as follow:

Description	Fair value at 30 June 2020 RMB'000	Valuation techniques	Unobservable input	Range (probability- weighted average)	Relationship of unobservable inputs to fair value
Wealth management products	82,248	Discounted cash flow	Expected interest rate per annum	2.00%-6.00%	A change in expected interest rate per annum +/- 10% results in a change in fair value by RMB186,000
Structural deposits	95,262	Discounted cash flow	Expected interest rate per annum	3.4%-3.8%	A change in expected interest rate per annum +/- 10% results in a change in fair value by RMB68,000
Contingent consideration	4,291	Discounted cash flow	Expected net profit	RMB 14,781,000- 49,130,000	A change in expected net profit +/- 10% results in a change in fair value by RMB-2,048,000/13,060,000
Unlisted equity securities	27,881	Guideline public companies method	P/E Ratio	17.10	A change in PE/Ratio +/- 10% results in a change in fair value by RMB1,773,000
Financial liabilities for put option written on non-controlling interests	(76,842)	Discounted cash flow	Expected discount rate	16.98%	A change in expected discount rate +/- 10% results in a change in fair value by RMB-1,980,000/2,065,000

18 Share capital

	30 June 2020 number of shares	31 December 2019 number of shares	30 June 2020 RMB'000 (Unaudited)	31 December 2019 RMB'000 (Audited)
Issued and fully paid	1,333,334,000	1,333,334,000	1,333,334	1,333,334

19 Reserves

	Statutory reserves RMB'000	Share premium RMB'000	Other reserves RMB'000	Total RMB'000
Six months ended 30 June 2020 (Unaudited)				
Balance at 1 January 2020 (Audited)	127,642	3,138,053	5,715	3,271,410
Appropriation of statutory reserves (Note (a))	28,071	—	—	28,071
Other transactions with non-controlling interests	—	—	2,943	2,943
Balance at 30 June 2020 (Unaudited)	155,713	3,138,053	8,658	3,302,424
Six months ended 30 June 2019 (Unaudited)				
Balance at 1 January 2019 (Audited)	59,859	3,138,053	67,975	3,265,887
Appropriation of statutory reserves (Note (a))	44,563	—	—	44,563
Put options granted during the acquisition of subsidiaries	—	—	(62,179)	(62,179)
Balance at 30 June 2019 (Unaudited)	104,422	3,138,053	5,796	3,248,271

(a) PRC statutory reserves

In accordance with relevant rules and regulations in the PRC, except for sino-foreign equity joint venture enterprises, all PRC companies are required to transfer 10% of their profit after taxation calculated under PRC accounting rules and regulations to the statutory reserve fund, until the accumulated total of the fund reaches 50% of their registered capital. The statutory reserve fund can only be used, upon approval by the relevant authority, to offset losses carried forward from previous years or to increase capital of the respective companies.

20 Borrowings

	30 June 2020 RMB'000 (Unaudited)	31 December 2019 RMB'000 (Audited)
Borrowings included in non-current liabilities:		
Long-term bank borrowings — secured (Note (a))	11,965	7,800
Less: current portion of long-term bank borrowings	(4,599)	(2,400)
Asset-backed securities (“ABS”) (Note (b))	321,000	—
Less: current portion of ABS	(244,000)	—
	84,366	5,400
Borrowings included in current liabilities:		
Short-term bank borrowings — secured (Note (c))	19,700	13,500
Current portion of long-term bank borrowings	4,599	2,400
Unsecured other borrowing (Note (d))	2,000	—
Current portion of ABS	244,000	—
	270,299	15,900
	354,665	21,300

(a) Secured long term bank loans

The secured long term bank loans amounting to RMB11,965,000 as at 30 June 2020 were secured by certain PPE (Note 13). The loans were interest bearing at fixed rates of 4.28%-6.48% per annum.

(b) Asset-backed securities

A PRC subsidiary of the acquiree CMIG PM entered into an asset-backed securities arrangement with an assets management company by pledging of the receivables for certain property management contracts in respect of certain properties under the PRC subsidiary’s management, and supported by a guarantee provided by the non-controlling shareholder of CMIG PM. On 15 July 2016, the ABS was formally established with an aggregate nominal value of RMB1,050,000,000, with a 5-year maturity, amongst which RMB50,000,000 was subordinate securities purchased by the PRC subsidiary as original equity holder. The ABS was repayable in ten half-annual instalments from 3 January 2017 to 3 July 2021. On the sixth repayment date on 2 July 2019, the PRC subsidiary completed the repurchase and cancellation of the ABS in an aggregate principal amount of RMB679,000,000. As at 30 June 2020, there was ABS in an aggregate principal amount of RMB321,000,000 outstandings.

20 Borrowings (continued)

(c) Short term secured bank loans

The secured short term bank loans amounting to RMB19,700,000 as at 30 June 2020 were secured by certain PPE (Note 13) and guaranteed by non-controlling shareholders. The loans were interest bearing at fixed rates of 5.66%-7.32% per annum.

(d) Unsecured other borrowing

Unsecured other borrowing amounting to RMB2,000,000 as at 30 June 2020, represented borrowings due to third party individuals in a group entity. Such borrowing bears an effective interest rate of 4.10% per annum and is repayable by 30 March 2021.

(e) The borrowings are denominated in RMB.

21 Trade and other payables

	30 June 2020 RMB'000 (Unaudited)	31 December 2019 RMB'000 (Audited)
Trade payables (Note (a))		
— Related parties (Note 25 (d))	23,041	5,766
— Third parties	1,004,437	493,826
	1,027,478	499,592
Other payables		
— Related parties (Note 25 (d))	62,172	55,443
— Third parties	1,418,504	706,499
	1,480,676	761,942
Dividends payables	70,970	—
Accrued payroll	539,230	384,102
Other taxes payables	161,745	111,344
Total trade and other payables	3,280,099	1,756,980
Less: non-current portion of other payables	(50,398)	(18,524)
Current portion	3,229,701	1,738,456

21 Trade and other payables (continued)

- (a) As at 30 June 2020 and 31 December 2019, the aging analysis of the trade payables (including amounts due to related parties in trade nature) based on invoice date were as follows:

	30 June 2020 RMB'000 (Unaudited)	31 December 2019 RMB'000 (Audited)
Trade payables		
Up to 1 year	979,673	455,734
1 to 2 years	20,574	32,709
2 to 3 years	17,993	3,996
Over 3 years	9,238	7,153
	1,027,478	499,592

The balances of trade payables over 1 year mainly represented the amounts due to third party contractors for renovation and maintenance services.

22 Dividends

The directors do not recommend the payment of an interim dividend for six months ended 30 June 2020 (six months ended 30 June 2019: nil).

A final dividend of RMB0.225 per share and a special dividend of RMB0.225 per share for the year ended 31 December 2019, totalling RMB600,000,000 were approved by the shareholders at the Annual General Meeting on 15 May 2020. The dividends in aggregate amount of RMB600,000,000 has been distributed out of the Company's retained earnings.

23 Commitments

(a) Capital commitments

Capital expenditures contracted but not provided for at the end of the period/year were as follows:

	30 June 2020 RMB'000 (Unaudited)	31 December 2019 RMB'000 (Audited)
Other intangible assets	2,705	2,705

24 Business combinations

In March 2020, the Group completed the acquisition of 60% of the equity interests in CMIG PM at an aggregated purchase consideration of RMB1,560,000,000. Total identifiable net assets of CMIG PM amounted to RMB1,682,344,000. The excess of the consideration transferred over the fair value of the identifiable net assets acquired is recorded as goodwill.

Goodwill of RMB762,242,000 primarily arose from the expected future development of CMIG PM's business, improvement on market coverage, enriching the service portfolio, integrating value-added services, and improvement on management efficiency, etc. Goodwill recognised is not expected to be deductible for income tax purposes.

Details of the purchase considerations and the net assets acquired are as follows:

	RMB'000
Cash consideration	1,560,000
Total purchase consideration	1,560,000
Recognised amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	221,673
Restricted cash	26,489
Financial assets at fair value through profit or loss	225,170
Financial assets at fair value through other comprehensive income	28,581
Property, plant and equipment (Note 13)	89,068
Right-of-use assets	13,622
Other intangible assets (Note 14)	1,728
Customer relationship (Note 14)	670,446
Deferred tax assets	15,614
Investments accounted for using the equity method (Note 15)	498,373
Inventories	2,636
Trade and other receivables (ii)	1,624,242
Trade and other payables	(1,027,964)
Borrowings	(343,647)
Current income tax liabilities	(34,238)
Contract liabilities	(144,337)
Lease liabilities	(13,966)
Deferred tax liabilities	(171,146)
Total identifiable net assets	1,682,344
Less: non-controlling interests	(884,586)
Identifiable net assets attributable to the Company	797,758
Goodwill (Note 14)	762,242

24 Business combinations (continued)

- (i) Net cash outflow arising on acquisition during the six months ended 30 June 2020:

	RMB'000
Total cash considerations	1,560,000
Less: cash considerations not yet paid as at 30 June 2020	(200,000)
Less: cash considerations paid in prior year	(468,000)
Cash considerations paid in the period	892,000
Less: cash and cash equivalents in the subsidiaries acquired	(221,673)
Add: cash considerations paid of Huaren	709
Cash outflow in the period	671,036

- (ii) Acquired receivables
The fair value of acquired trade receivables is RMB783,501,000. The gross contractual amount for trade receivables due is RMB812,322,000, of which RMB28,821,000 is expected to be uncollectible.

- (iii) Revenue and profit contribution
The acquired businesses contributed revenues of RMB1,112,251,000 and net profits of RMB125,339,000 to the Group for the period from the acquisition date to 30 June 2020.

If the acquisitions had occurred on 1 January 2020, the Group's consolidated pro-forma revenue and comprehensive income for the period ended 30 June 2020 would have been RMB4,498,242,000 and RMB859,321,000, respectively.

- (iv) Information not disclosed as not yet available
At the time the interim financial information were authorised for issue, the Group had not yet completed the accounting for the acquisitions. In particular, the fair values of the assets and liabilities disclosed above have only been determined provisionally as the independent valuations have not been finalised.

25 Related party transactions

(a) Name and relationship with related parties

Name	Relationship
Agile Holdings 雅居樂集團控股有限公司	Ultimate holding company
Zhongshan A-Living 中山雅生活企業管理服務有限公司	Controlling shareholder of the Company
Deluxe Star International Limited 旺紀國際有限公司	Intermediate holding company
Greenland Holdings Group Company Limited ("Greenland Holdings") 綠地控股集團有限公司(「綠地控股」)	Non-controlling shareholder of the Company
CMIG Futurelife Holdings Group Company Limited ("CMIG") 中民未來控股集團有限公司(「中民」)	Non-controlling shareholder of a material subsidiary
China Mingsheng Investment Group 中國民生投資股份有限公司	Controlling shareholder of CMIG
Founding Shareholders, including Mr. Chen Zhuo Lin, Mr. Chan Cheuk Yin, Ms. Luk Sin Fong, Fion, Mr. Chan Cheuk Hung, Mr. Chan Cheuk Hei, and Mr. Chan Cheuk Nam (the "Founding Shareholders")	Founding shareholders of Agile Holdings
Mr. Chan Cheuk Yin 陳卓賢先生	A Founding Shareholder of Agile Holdings
Hainan Agile Real Estate Development Co., Ltd.* 海南雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Zhongshan Ever Creator Real Estate Development Co., Ltd.* 中山市雅建房地產發展有限公司	Controlled by the same ultimate holding company
Sichuan Agile Real Estate Development Co., Ltd.* 四川雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Guangzhou Yaheng Real Estate Development Co., Ltd.* 廣州雅恒房地產開發有限公司	Controlled by the same ultimate holding company

25 Related party transactions (continued)

(a) Name and relationship with related parties (continued)

Name	Relationship
Guangzhou Panyu Agile Realty Development Co., Ltd.* 廣州番禺雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Hainan Yaheng Real Estate Development Co., Ltd.* 海南雅恒房地產發展有限公司	Controlled by the same ultimate holding company
Zhongshan Greenville Realty Development Co., Ltd.* 中山市凱茵豪園房地產開發有限公司	Controlled by the same ultimate holding company
Zhongshan Agile Majestic Garden Real Estate Co., Ltd.* 中山雅居樂雍景園房地產有限公司	Controlled by the same ultimate holding company
Nanjing Binjiang Agile Real Estate Development Co., Ltd.* 南京濱江雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Nanjing Jiangning Agile Real Estate Development Co., Ltd.* 南京江寧雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Guangzhou Huadu Agile Realty Development Co., Ltd.* 廣州花都雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Foshan Shunde Agile Real Estate Development Co., Ltd.* 佛山市順德區雅居樂房地產有限公司	Controlled by the same ultimate holding company
Guangzhou Conghua Agile Real Estate Development Co., Ltd.* 廣州從化雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Zhongshan Yajing Real Estate Development Co., Ltd.* 中山市雅景房地產開發有限公司	Controlled by the same ultimate holding company
Shanghai Jing'an Chengtou Chongqing Land Co., Ltd.* 上海靜安城投重慶市置業有限公司	Controlled by the same ultimate holding company
Liaoning Agile Real Estate Development Co., Ltd.* 遼寧雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Foshan Agile Real Estate Development Co., Ltd.* 佛山市雅居樂房地產有限公司	Controlled by the same ultimate holding company

25 Related party transactions (continued)

(a) Name and relationship with related parties (continued)

Name	Relationship
Zhongshan Yaxin Real Estate Development Co., Ltd.* 中山市雅信房地產開發有限公司	Controlled by the same ultimate holding company
Heyuan Agile Real Estate Development Co., Ltd.* 河源市雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Zhongshan Yachuang Real Estate Development Co., Ltd.* 中山市雅創房地產開發有限公司	Controlled by the same ultimate holding company
Guangzhou Yayue Real Estate Development Co., Ltd.* 廣州雅粵房地產開發有限公司	Controlled by the same ultimate holding company
Foshan Sanshui Agile Majestic Garden Real Estate Co., Ltd.* 佛山市三水雅居樂雍景園房地產有限公司	Controlled by the same ultimate holding company
Xi'an Agile Property Investment Management Co., Ltd.* 西安雅居樂物業投資管理有限公司	Controlled by the same ultimate holding company
Wuhan Changkai Property Development Co., Ltd.* 武漢長凱物業發展有限公司	Controlled by the same ultimate holding company
Changzhou Agile Real Estate Development Co., Ltd.* 常州雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Nanjing Yajian Land Co., Ltd.* 南京雅建置業有限公司	Controlled by the same ultimate holding company
Zhongshan Yacheng Real Estate Development Co., Ltd.* 中山市雅誠房地產開發有限公司	Controlled by the same ultimate holding company
Agile Property Land Co., Ltd.* 雅居樂地產置業有限公司	Controlled by the same ultimate holding company
Xi'an Qujiang Agile Real Estate Development Co., Ltd.* 西安曲江雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Chongqing Gangya Land Co., Ltd.* 重慶港雅置業有限公司	Controlled by the same ultimate holding company

25 Related party transactions (continued)

(a) Name and relationship with related parties (continued)

Name	Relationship
Zhongshan Yashang Real Estate Development Co., Ltd.* 中山市雅尚房地產開發有限公司	Controlled by the same ultimate holding company
Tengchong Agile Resort Co., Ltd.* 騰沖雅居樂旅遊置業有限公司	Controlled by the same ultimate holding company
Hainan Yahang Travel Property Co., Ltd.* 海南雅航旅遊置業有限公司	Controlled by the same ultimate holding company
Ruili Agile Resort Co., Ltd.* 瑞麗雅居樂旅遊置業有限公司	Controlled by the same ultimate holding company
Lai'an Agile Real Estate Development Co., Ltd.* 來安雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Nanjing Gaochun Agile Real Estate Development Co., Ltd.* 南京高淳雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Xi'an Changya Real Estate Development Co., Ltd.* 西安常雅房地產開發有限公司	Controlled by the same ultimate holding company
Xishuangbanna Agile Resort Co., Ltd.* 西雙版納雅居樂旅遊置業有限公司	Controlled by the same ultimate holding company
Guangdong Xiqiao Commerce Plaza Co., Ltd.* 廣東西樵商貿廣場有限公司	Controlled by the same ultimate holding company
Hong Kong Agile Property Management Services Limited* 香港雅居樂物業管理服務有限公司	Controlled by the same ultimate holding company
Zhongshan Fashion Decoration Co., Ltd.* 中山市時興裝飾有限公司	Controlled by the same ultimate holding company
Shanghai Yaheng Real Estate Development Co., Ltd.* 上海雅恒房地產開發有限公司	Controlled by the same ultimate holding company
Shanxi Haorui Real Estate Development Co., Ltd.* 陝西昊瑞房地產開發有限責任公司	Controlled by the same ultimate holding company
Foshan Sanshui Agile Real Estate Development Co., Ltd.* 佛山市三水雅居樂房地產有限公司	Controlled by the same ultimate holding company

25 Related party transactions (continued)

(a) Name and relationship with related parties (continued)

Name	Relationship
Foshan Shunde Yaxin Real Estate Development Co., Ltd.* 佛山市順德區雅新房地產開發有限公司	Controlled by the same ultimate holding company
Shandong Laiwu Agile Eco Technology Co., Ltd.* 山東萊蕪雅居樂環保科技有限公司	Controlled by the same ultimate holding company
Changzhou Hupan Land Co., Ltd.* 常州湖畔置業有限公司	Controlled by the same ultimate holding company
Changzhou Sanxin Real Estate Development Co., Ltd.* 常州市三鑫房地產開發有限公司	Controlled by the same ultimate holding company
Changzhou Hepan Land Co., Ltd.* 常州河畔置業有限公司	Controlled by the same ultimate holding company
Changzhou Jintan Agile Real Estate Development Co., Ltd.* 常州金壇雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Guangzhou Agile Real Estate Development Co., Ltd.* 廣州雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Guangzhou Yajin Real Estate Development Co., Ltd.* 廣州雅錦房地產開發有限公司	Controlled by the same ultimate holding company
Changshu Agile Land Co., Ltd.* 常熟雅居樂置業有限公司	Controlled by the same ultimate holding company
Changzhou Jintan Yaxin Real Estate Development Co., Ltd.* 常州金壇雅信房地產開發有限公司	Controlled by the same ultimate holding company
Dongfang Yanhucheng Land Co., Ltd.* 東方鹽湖城置業有限公司	Controlled by the same ultimate holding company
Suzhou Agile Property Development Co., Ltd.* 蘇州雅居樂置業有限公司	Controlled by the same ultimate holding company
Hainan Agile Clearwater Bay Hotel Investment and Development Co., Ltd.* 海南雅居樂清水灣文旅投資發展有限公司	Controlled by the same ultimate holding company

25 Related party transactions (continued)

(a) Name and relationship with related parties (continued)

Name	Relationship
Tianjing Yarun Real Estate Development Co., Ltd.* 天津雅潤房地產開發有限公司	Controlled by the same ultimate holding company
Jurong Agile Real Estate Development Co., Ltd.* 句容雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Foshan Yashun Real Estate Development Co., Ltd.* 佛山雅順房地產開發有限公司	Controlled by the same ultimate holding company
Zhongshan Yuehong Investment Co., Ltd.* 中山市粵宏投資有限公司	Controlled by the same ultimate holding company
Shanxi Jinshui Real Estate Development Co., Ltd.* 陝西金水房地產開發有限公司	Controlled by the same ultimate holding company
Zhenjiang Yarun Real Estate Development Co., Ltd.* 鎮江雅潤房地產開發有限公司	Controlled by the same ultimate holding company
Chongqing Yajin Real Estate Development Co., Ltd.* 重慶雅錦房地產開發有限公司	Controlled by the same ultimate holding company
Chongqing Yaheng Real Estate Development Co., Ltd.* 重慶雅恒房地產開發有限公司	Controlled by the same ultimate holding company
Zhengzhou Yahong Real Estate Development Co., Ltd.* 鄭州雅宏房地產開發有限公司	Controlled by the same ultimate holding company
Huzhou Yazhi Real Estate Development Co., Ltd.* 湖州雅致房地產開發有限公司	Controlled by the same ultimate holding company
Hainan Longxin Land Co., Ltd.* 海南隆興置業有限公司	Controlled by the same ultimate holding company
Shanwei Agile Real Estate Development Co., Ltd.* 汕尾市雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Hanzhong Longteng Agile Real Estate Development Co., Ltd.* 漢中龍騰雅居房地產開發有限公司	Controlled by the same ultimate holding company

25 Related party transactions (continued)

(a) Name and relationship with related parties (continued)

Name	Relationship
Yangzhou Yaheng Real Estate Development Co., Ltd.* 揚州雅恒房地產開發有限公司	Controlled by the same ultimate holding company
Yangzhou Shunhong Land Co., Ltd.* 揚州舜鴻置業有限公司	Controlled by the same ultimate holding company
Huizhou Yasheng Real Estate Development Co., Ltd.* 惠州市雅生房地產開發有限公司	Controlled by the same ultimate holding company
Guangzhou Yafeng Construction Material Co., Ltd.* 廣州市雅豐建築材料有限公司	Controlled by the same ultimate holding company
Beijing Jingxi Jingrong Property Development Co., Ltd.* 北京京西景榮置業有限公司	Controlled by Greenland Holdings
Beijing Greenland Jingmao Real Estate Development Co., Ltd.* 北京綠地京懋房地產開發有限公司	Controlled by Greenland Holdings
Beijing Greenland Jingyuan Real Estate Development Co., Ltd.* 北京綠地京源房地產開發有限公司	Controlled by Greenland Holdings
Foshan Bosheng Property Development Co., Ltd.* 佛山鉞晟置業有限公司	Controlled by Greenland Holdings
Foshan Jiayi Property Co., Ltd.* 佛山嘉逸置業有限公司	Controlled by Greenland Holdings
Guangzhou Jierui Property Co., Ltd.* 廣州傑瑞置業有限公司	Controlled by Greenland Holdings
Guangzhou Lingyue Market Management Co., Ltd.* 廣州領越市場管理有限公司	Controlled by Greenland Holdings
Guangzhou Greenland Real Estate Co., Ltd.* 廣州綠地房地產開發有限公司	Controlled by Greenland Holdings
Guangzhou Lvjang Real Estate Co., Ltd.* 廣州綠港房地產開發有限公司	Controlled by Greenland Holdings

25 Related party transactions (continued)

(a) Name and relationship with related parties (continued)

Name	Relationship
Guangzhou Mantingfang Real Estate Co., Ltd.* 廣州市滿庭芳房地產開發有限公司	Controlled by Greenland Holdings
Greenland Jinan Real Estate Co., Ltd.* 綠地地產(濟南)有限公司	Controlled by Greenland Holdings
Greenland Jinan Binhe Property Co. Ltd.* 綠地地產濟南濱河置業有限公司	Controlled by Greenland Holdings
Greenland Foshan Chancheng Property Co., Ltd.* 綠地集團佛山禪城置業有限公司	Controlled by Greenland Holdings
Greenland Foshan Shunde Lvan Property Co., Ltd.* 綠地集團佛山順德綠安置業有限公司	Controlled by Greenland Holdings
Greenland Foshan Shunde Property Co., Ltd.* 綠地集團佛山順德置業有限公司	Controlled by Greenland Holdings
Greenland Jinan Xihe Property Co. Ltd.* 綠地集團濟南西河置業有限公司	Controlled by Greenland Holdings
Greenland Shandong Property Co., Ltd.* 綠地集團山東置業有限公司	Controlled by Greenland Holdings
Greenland Zhejiang Real Estate Co., Ltd.* 綠地控股集團(浙江)房地產開發有限公司	Controlled by Greenland Holdings
Greenland Hangzhou Dongcheng Real Estate Co., Ltd.* 綠地控股集團杭州東城房地產開發有限公司	Controlled by Greenland Holdings
Shanghai Hengshen Property Co., Ltd.* 上海恒申置業有限公司	Controlled by Greenland Holdings
Shanghai Greenland Baoli Property Co., Ltd.* 上海綠地寶裏置業有限公司	Controlled by Greenland Holdings
Shanghai Greenland Hengbin Property Co., Ltd.* 上海綠地恒濱置業有限公司	Controlled by Greenland Holdings
Shijiazhuang Zhongdi Real Estate Co., Ltd.* 石家莊中迪房地產開發有限公司	Controlled by Greenland Holdings

25 Related party transactions (continued)

(a) Name and relationship with related parties (continued)

Name	Relationship
Wuhan Jiupai Xingu Property Co., Ltd.* 武漢九派鑫穀置業有限公司	Controlled by Greenland Holdings
Wuhan Juguan Industry Co., Ltd.* 武漢聚冠實業有限公司	Controlled by Greenland Holdings
Wuhan Xingao Xinggu Property Co., Ltd.* 武漢新高興穀置業有限公司	Controlled by Greenland Holdings
Yangjiang Lvhao Real Estate Development Co., Ltd.* 陽江市綠浩房地產開發有限公司	Controlled by Greenland Holdings
Chongqing Greenland Shenpu Real Estate Development Co., Ltd.* 重慶綠地申浦房地產開發有限公司	Controlled by Greenland Holdings
Suzhou Greenland Jiangcheng Land Co., Ltd.* 蘇州綠地江城置業有限公司	Controlled by Greenland Holdings
Greenland Xi'an Fengdong Land Co., Ltd.* 綠地集團西安豐東置業有限公司	Controlled by Greenland Holdings
Greenland Jinan Lvlu Land Co., Ltd.* 綠地集團濟南綠魯置業有限公司	Controlled by Greenland Holdings
Greenland Chengdu Qinyang Real Estate Development Co., Ltd.* 綠地集團成都青羊房地產開發有限公司	Controlled by Greenland Holdings
Greenland Suzhou Land Co., Ltd.* 綠地集團宿州置業有限公司	Controlled by Greenland Holdings
Greenland Ningxia Land Co., Ltd.* 綠地集團寧夏置業有限公司	Controlled by Greenland Holdings
Greenland Lanzhou Xinqu Land Co., Ltd.* 綠地集團蘭州新區置業有限公司	Controlled by Greenland Holdings
Greenland (Guiyang Lvgui) Real Estate Development Co., Ltd.* 綠地集團(貴陽綠貴)房地產開發有限公司	Controlled by Greenland Holdings

25 Related party transactions (continued)

(a) Name and relationship with related parties (continued)

Name	Relationship
Greenland (Guiyang Baiyun) Real Estate Development Co., Ltd.* 綠地集團(貴陽白雲)房地產開發有限公司	Controlled by Greenland Holdings
Hubei Zichuang Real Estate Development Co., Ltd.* 湖北梓創房地產有限公司	Controlled by Greenland Holdings
Wuhan Greenland Binjiang Land Co., Ltd.* 武漢綠地濱江置業有限公司	Controlled by Greenland Holdings
Kaifeng Greenland Land Co., Ltd.* 開封綠地置業有限公司	Controlled by Greenland Holdings
Ningbo Hangzhouwan Xinqu Linghai Land Co., Ltd.* 寧波杭州灣新區領海置業有限公司	Controlled by Greenland Holdings
Guangzhou Huibang Property Co., Ltd.* 廣州市暉邦置業有限公司	Joint venture of Greenland Holdings
Guangzhou Greenland Baiyun Property Co., Ltd.* 廣州綠地白雲置業有限公司	Joint venture of Greenland Holdings
Greenland Hangzhou Shuangta Property Co., Ltd.* 綠地控股集團杭州雙塔置業有限公司	Joint venture of Greenland Holdings
Huizhou Huiyang Agile Real Estate Development Co., Ltd.* 惠州市惠陽雅居樂房地產開發有限公司	Joint venture of Agile Holdings
Zhongshan Yahong Real Estate Development Co., Ltd.* 中山市雅鴻房地產開發有限公司	Joint venture of Agile Holdings
Foshan Yazhan Property Development Co., Ltd.* 佛山雅展房地產開發有限公司	Joint venture of Agile Holdings
Guangxi Fuya Investments Co., Ltd.* 廣西富雅投資有限公司	Joint venture of Agile Holdings
Zhuhai Yahan Real Estate Development Co., Ltd.* 珠海市雅瀚房地產開發有限公司	Joint venture of Agile Holdings

25 Related party transactions (continued)

(a) Name and relationship with related parties (continued)

Name	Relationship
Zhongshan Minsen Real Estate Development Co., Ltd.* 中山市民森房地產發展有限公司	Joint venture of Agile Holdings
Chongqing Jinbi Agile Real Estate Development Co., Ltd.* 重慶金碧雅居樂房地產開發有限公司	Joint venture of Agile Holdings
Hainan Yahai Travel Development Co., Ltd.* 海南雅海旅遊發展有限公司	Joint venture of Agile Holdings
Huizhou Bailuhu Tour Enterprise Development Co., Ltd.* 惠州白鷺湖旅遊實業開發有限公司	Joint venture of Agile Holdings
Guangzhou Lihe Real Estate Development Co., Ltd.* 廣州利合房地產開發有限公司	Joint venture of Agile Holdings
Haimen Xinya Real Estate Development Co., Ltd.* 海門新雅房地產開發有限公司	Associate of Agile Holdings
Foshan Sanshui Qingmei Real Estate Development Co., Ltd.* 佛山市三水區擎美房地產有限公司	Associate of Agile Holdings
Xinxing Country Garden Real Estate Development Co., Ltd.* 新興縣碧桂園房地產開發有限公司	Associate of Agile Holdings
Zhongshan Changjiang Golf Course* 中山長江高爾夫球場	Controlled by the Founding Shareholders
Ruipei Enterprise (Shanghai) Company Limited* 芮沛投資(上海)有限公司	Controlled by CMIG
Shanghai Mintou Microcredit Co., Ltd.* 上海民投小額貸款有限公司	Controlled by CMIG
Shanghai Yusheng Human Resources Services Limited.* 上海昱勝人力資源服務有限公司	Controlled by CMIG
CMIG Wealth Fund Sales (Shanghai) Co., Ltd.* 中民財富基金銷售(上海)有限公司	Controlled by CMIG

25 Related party transactions (continued)

(a) Name and relationship with related parties (continued)

Name	Relationship
CMIG Caizhi Co., Ltd.* 中民財智有限公司	Controlled by CMIG
CMIG Jiaye Investment Co., Ltd.* 中民嘉業投資有限公司	Controlled by CMIG
CMIG Youjia Property Investment Co., Ltd.* 中民優家物業投資有限公司	Controlled by CMIG
Suzhou Zhonglu Shenlongcheng Property Management Co., Ltd.* 蘇州中鱸深龍城物業管理有限公司	Associate of the Group
Tianjin Zhuosen Business Management Co., Ltd.* 天津卓森商業管理有限公司	Associate of the Group
Hangzhou Lvsong Property Services Co., Ltd.* 杭州綠宋物業服務有限公司	Joint Venture of the Group
Qingdao Qinglv City Services Co., Ltd.* 青島青旅城市服務有限公司	Joint Venture of the Group

The above table lists the principal related parties of the Group which, in the opinion of the directors, principally affect the results and net assets of the Group.

* The English name of the related parties represents the best effort by the management of the Group in translating their Chinese names as they do not have an official English name.

25 Related party transactions (continued)

(b) Transactions with related parties

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Provision of services		
Controlled by the same ultimate holding company	854,759	736,607
Joint ventures and associates of Agile Holdings	118,640	81,445
Greenland Holdings and entities controlled by Greenland Holdings	58,869	42,330
Joint ventures and associate of the Group	2,672	—
CMIG, entities controlled by CMIG and controlling shareholder of CMIG	2,521	—
Joint ventures of Greenland Holdings	613	601
Controlled by the Founding Shareholders	362	908
	1,038,436	861,891

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Purchase of goods and services		
Associates of the Group	27,190	—
Associates of Agile Holdings	70	—
	27,260	—

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest income received on loans due from related parties		
CMIG	9,357	—

25 Related party transactions (continued)

(b) Transactions with related parties (continued)

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Short-term lease expenses and management fee		
Controlled by the Founding Shareholders	1,115	1,660
Controlled by the same ultimate holding company	425	1,381
	1,540	3,041

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest expense for lease liabilities		
Controlled by the same ultimate holding company	74	76
A Founding Shareholder of Agile Holdings	18	8
	92	84

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Payment of lease liabilities		
Controlled by the same ultimate holding company	717	1,987
A Founding Shareholder of Agile Holdings	202	212
	919	2,199

(c) Key management compensation

Compensations for key management other than those for directors and supervisors during the period were as follows:

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Salaries and other short-term employee benefits	3,381	1,611

25 Related party transactions (continued)

(d) Balances with related parties

	30 June 2020 RMB'000 (Unaudited)	31 December 2019 RMB'000 (Audited)
Due from related parties		
— Trade receivables		
Controlled by the same ultimate holding company	343,340	399,752
Greenland Holdings and entities controlled by Greenland Holdings	245,484	247,526
Joint ventures and associates of Agile Holdings	59,524	55,821
CMIG, entities controlled by CMIG and controlling shareholder of CMIG	7,726	—
Joint ventures of Greenland Holdings	4,298	3,648
Joint ventures and associates of the Group	549	1,700
	660,921	708,447
— Other receivables (Note (i))		
Controlled by the same ultimate holding company	53,992	59,692
Joint ventures and associates of the Group	17,423	10,000
Joint ventures and associates of Agile Holdings	3,598	9,475
CMIG, entities controlled by CMIG and controlling shareholder of CMIG	2,064	—
Controlled by the Founding Shareholders	836	557
Greenland Holdings and entities controlled by Greenland Holdings	270	150
	78,183	79,874
— Dividend receivables		
Associate of the Group	—	15,867
— Prepayments		
Controlled by the same ultimate holding company	1,573	436
Greenland Holdings and entities controlled by Greenland Holdings	909	—
	2,482	436
Total receivables due from related parties	741,586	804,624

- (i) Other receivables due from related parties are unsecured and interest-free. Except for the balances paid as deposits, which are repayable upon maturity of rental period according to the respective contracts, the remaining balances are repayable on demand.

25 Related party transactions (continued)

(d) Balances with related parties (continued)

	30 June 2020 RMB'000 (Unaudited)	31 December 2019 RMB'000 (Audited)
Due to related parties		
— Trade payables		
Associates of the Group	17,155	—
Controlled by the same ultimate holding company	5,715	5,766
CMIG, entities controlled by CMIG and controlling shareholder of CMIG	101	—
Associates of Agile Holdings	70	—
	23,041	5,766
— Other payables		
Controlled by the same ultimate holding company	55,559	54,175
Greenland Holdings and entities controlled by Greenland Holdings	3,530	1,258
CMIG, entities controlled by CMIG and controlling shareholder of CMIG	1,458	—
Joint ventures of Agile Holdings	765	10
A Founding Shareholder of Agile Holdings	668	—
Associates of the Group	192	—
	62,172	55,443
— Contract liabilities		
Controlled by the same ultimate holding company	144,614	90,022
Joint ventures and associates of Agile Holdings	14,552	675
Greenland Holdings and entities controlled by Greenland Holdings	831	733
Controlled by the Founding Shareholders	10	—
	160,007	91,430
Total payables to related parties	245,220	152,639

25 Related party transactions (continued)

(e) Loans and interest receivables due from related parties

	30 June 2020 RMB'000 (Unaudited)	31 December 2019 RMB'000 (Audited)
Beginning of the period/year	—	—
Acquisition of subsidiaries	324,068	—
Repayments from related parties	(115,000)	—
Interest income (Note 8)	6,289	—
Interest received	(9,357)	—
End of the period/year	206,000	—

Loans and interest receivables due from related parties are mainly included cash advances to non-controlling shareholders, which bear an effective interest rate of 5.6% per annum and are repayable on demand.

(f) Guarantee for borrowings

As at 30 June 2020 and 31 December 2019, no building was pledged for related parties.

(g) Pledges and guarantees provided by related parties

As at 30 June 2020 and 31 December 2019, no guarantee was provided by related parties.