



# 和泓服務

HEVOL SERVICES

HEVOL SERVICES GROUP CO. LIMITED

和泓服務集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 6093

## 2025

### INTERIM REPORT

A Happy Life With Hevol



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# Corporate Information

## BOARD OF DIRECTORS

### Executive Directors

Mr. Wang Wenhao (*Chief Executive Officer*)  
Ms. Hu Hongfang

### Non-executive Directors

Mr. Liu Jiang (*Chairman*)  
Mr. Zhou Wei

### Independent Non-executive Directors

Mr. Qian Hongji  
Dr. Li Yongrui  
Mr. Fan Chi Chiu  
Dr. Chen Lei

## AUDIT COMMITTEE

Mr. Fan Chi Chiu (*Chairman*)  
Mr. Qian Hongji  
Dr. Chen Lei

## REMUNERATION COMMITTEE

Dr. Li Yongrui (*Chairman*)  
Mr. Qian Hongji  
Dr. Chen Lei

## NOMINATION COMMITTEE

Dr. Li Yongrui (*Chairman*)  
Mr. Qian Hongji  
Ms. Hu Hongfang

## COMPANY SECRETARY

Mr. Lee Lap Keung  
(Hong Kong Certified Public Accountant)

## AUTHORISED REPRESENTATIVES

Mr. Wang Wenhao  
Mr. Lee Lap Keung

## REGISTERED OFFICE

PO Box 309  
Ugland House  
Grand Cayman, KY1-1104  
Cayman Islands

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG REGISTERED UNDER PART 16 OF THE COMPANIES ORDINANCE

Room 6706  
Central Plaza  
18 Harbour Road  
Wanchai, Hong Kong

## HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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No. 59 Gaoliangqiao Xiejie,  
Haidian District, Beijing  
People's Republic of China

## CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples Fund Services (Cayman) Limited  
PO Box 1093, Boundary Hall  
Cricket Square  
Grand Cayman KY1-1102  
Cayman Islands

## HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited  
17M Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

## INDEPENDENT AUDITOR

BDO Limited  
Certified Public Accountants  
*Registered Public Interest Entity Auditor*  
25th Floor, Wing On Centre  
111 Connaught Road Central  
Hong Kong

## HONG KONG LEGAL ADVISER

Han Kun Law Offices LLP  
Rooms 4301-10  
43/F Gloucester Tower  
The Landmark  
15 Queen's Road Central  
Central, Hong Kong

## PRINCIPAL BANKS

China Construction Bank, Beijing Branch,  
Zhongguancun South Avenue Sub-branch  
China Construction Bank Beijing,  
Gucheng Sub-branch

## COMPANY WEBSITE

[www.hevolwy.com.cn](http://www.hevolwy.com.cn)

## STOCK CODE

6093

## DATE OF LISTING

12 July 2019



# Chairman's Statement

Dear shareholders,

On behalf of the board of directors (the "**Board**") of Hevol Services Group Co. Limited (the "**Company**", together with its subsidiaries, the "**Group**"), I am pleased to present the interim results of the Company for the six months ended 30 June 2025 (the "**Reporting Period**").

Amid the ongoing transformation of the industry in 2025, the Group has always adhered to the service concept of "Happy Life With Hevol", actively adapted to market changes, forged ahead with determination, and remained committed to creating exceptional value for property owners and customers while contributing to the advancement of the industry.

## BUSINESS REVIEW

For the six months ended 30 June 2025, the Group recorded revenue of approximately RMB701.4 million, representing an increase of approximately RMB29.4 million or approximately 4.4% compared to approximately RMB672.0 million in the same period of 2024. Gross profit of the Group amounted to approximately RMB179.1 million, representing a decrease of approximately RMB9.3 million or approximately 4.9% from approximately RMB188.4 million in the same period of 2024. Profit after income tax was approximately RMB14.2 million, representing a decrease of approximately RMB39.9 million or approximately 73.8% from approximately RMB54.1 million in the same period of 2024. Profit attributable to shareholders of the Company was approximately RMB3.1 million, representing a decrease of approximately RMB36.4 million or approximately 92.2% compared to approximately RMB39.5 million in the same period of 2024. Basic earnings per share amounted to approximately RMB0.55 cents.

For the six months ended 30 June 2025, the Group managed 362 property service projects across 37 cities in 17 provinces and municipalities in China, with a total gross floor area ("**GFA**") under management of approximately 55.8 million sq.m., representing a decrease of approximately 5.3 million sq.m. or approximately 8.7% as compared to approximately 61.1 million sq.m. over the same period in 2024. The number of projects under contract was 377 with a total contracted GFA of approximately 61.4 million sq.m., representing a decrease of approximately 7.3 million sq.m. or approximately 10.6% as compared to approximately 68.7 million sq.m. over the same period in 2024.

### ENHANCING SERVICE QUALITY TO BUILD AN OUTSTANDING REPUTATION

Quality service is the cornerstone and core competitive strength of the Group. With the continuous improvement of livelihood policies, community service and management have become a focal point for residents. Guided by the principle of enhancing service quality and conveying warmth through services, the Group continuously advances service upgrades across multiple dimensions, and strives to build a service brand with the distinctive characteristics of Hevol. In the first half of the year, the Group conducted an in-depth and comprehensive analysis of key quality management aspects and introduced the "Sincerity, Warmth and Excellence – A New Chapter of Quality" quality enhancement plan, refining the "1393" quality upgrade model which drives systematic improvements across three major areas of basic services, internal operations and brand building. In particular, for basic services, the Group established a warm service special committee to implement a warm service system across all projects and continuously strengthen the quality of basic services. Through concrete actions, the Group conveyed service warmth to every property owner, reinforced the distinctive brand image of Hevol Services, and consistently built an outstanding reputation in the industry. In addition, by adopting a "precision acceleration + five-senses experience" approach to upgrade its standardization system, the Group strengthened both the functional and emotional value of Hevol Services and enhanced customer experience and loyalty to improve service capabilities. In internal operations management, the Group implemented a three-tier training and assessment mechanism, conducted five-level inspections and red-yellow card evaluations, and established a dual-axis full-ecosystem risk prevention system covering life cycle and ecosystem cycle, thereby achieving goals of quality control and risk prevention while enhancing internal operational control. In brand building, the Group developed smart flagship projects and "Five-Excellence" benchmark projects, promoted its property management brand through the "Two Pathways and Six Dimensions" system, and shaped three major brand characteristics of Hevol Services: quality, technology, and culture, thereby consolidating advantages to create brand value and enhance corporate competitiveness.

### DEEPENING MARKET EXPANSION TO BUILD A DIVERSIFIED PORTFOLIO

In market expansion, the Group adhered to its core strategy of "deepening penetration in advantageous regions", leveraged its high-quality services and professional expertise to consolidate and expand market share. In the first half of the year, the Group deepened strategic collaborations with existing clients, successfully securing dozens of projects covering residential projects, public buildings, commercial complexes and industrial parks. At the same time, the Group adapted to market conditions and expanded its business scope through multiple approaches: on one hand, intensifying efforts in market expansion and actively participating in open tenders; on the other hand, focusing on diversified business formats, strengthening investments in commercial properties, industrial parks and cultural and sports venues while maintaining a solid foundation in residential property management projects. These initiatives gradually formed a diversified and complementary business structure, further enhancing the Group's comprehensive competitiveness and sustainable development capabilities.

## Chairman's Statement

### TECHNOLOGY-DRIVEN UPGRADE TO BUILD SMART PROPERTY SERVICES

Smart technology is a key driver of innovation and development in the property industry. In the first half of the year, the Group continued its investment in smart technology, fully committed to building an intelligent and digital property management service system. The Group upgraded its smart property management platform, achieving automatic, information-based and intelligent business operations. Through the platform's big data analysis capabilities, the Group gained real-time insights into project operations and accurately identified property owners' needs, providing a scientific basis for decision-making. Additionally, the Group actively explored new models for smart community services, integrated community commercial resources to create an online-offline integrated community living service platform to offer convenient services such as community group buying, housekeeping and elderly care, thereby continuously improving property owners' quality of life and satisfaction.

### PARTY-BUILDING LEADERSHIP AND FULFILLING SOCIAL RESPONSIBILITY

Party-building initiatives serve as the "red engine" and driving force behind the Group's development. During the first half of the year, the Group thoroughly implemented the development concept of Party-building leadership, closely integrated Party-building work with corporate management and community services, and established Party branches in multiple regions, thereby fully leveraging the role of Party organizations as battle fortresses and Party members as exemplary pioneers. Through activities such as Party Member Model Posts and Party Member Volunteer Teams, the Group encouraged Party members to take the lead in frontline services, and actively resolved practical issues for property owners, which earned widespread praise. Additionally, various projects actively participated in community governance, established close cooperative relationships with neighborhood committees and owners' committees to jointly promote community construction and development. The Group organized various Party-building themed activities including red culture community events, Party history knowledge lectures and Party member voluntary tree-planting activities to enrich residents' spiritual and cultural lives and enhance community cohesion and unity. In fulfilling social responsibilities, the Group regularly organized staff to visit elderly residents, provided daily care and emotional support services to help them feel society's care and warmth. The Group actively responded to national environmental protection initiatives by implementing energy conservation, emission reduction and waste sorting measures across projects, contributing to the development of beautiful communities.

Finally, on behalf of the Board, I would like to take this opportunity to pay the highest respect to all shareholders, business partners, property owners, customers and suppliers who have always supported and trusted the Group! I would also like to express our most sincere gratitude to the management and all employees for their hard work and contribution to the Group.

**Liu Jiang**  
*Chairman of the Board*

Hong Kong, 28 August 2025



# Management Discussion and Analysis

## BUSINESS REVIEW

### Overview

The Group is a renowned market player in the property management industry in China and has engaged in property management services for more than 23 years. The Group ranked 22nd among the “2025 Top 100 Property Management Enterprises in China” by virtue of its comprehensive strength. The Group has been rated as one of the Top 100 Property Management Enterprises in China for eleven consecutive years, and the Group is considered as one of the Top 100 Property Management Enterprises in China with rapid development. In addition, the Group has been awarded many honours such as the 22nd among the 2025 Top 100 Property Management Enterprises in China in terms of Comprehensive Strength, the 2025 China Outstanding Red Property Management Enterprise, the 2025 China Leading Quality Property Management Enterprise, the 2025 China Leading Property Management Enterprises in terms of Technological Capabilities and the 2025 China Top 100 Most Influential Property Management Brands.

For the six months ended 30 June 2025, the Group recorded revenue of approximately RMB701.4 million, representing an increase of approximately RMB29.4 million or approximately 4.4% compared to approximately RMB672.0 million for the same period in 2024; gross profit of approximately RMB179.1 million, representing a decrease of approximately RMB9.3 million or approximately 4.9% compared to approximately RMB188.4 million for the same period in 2024; and gross profit margin of approximately 25.5%. For the six months ended 30 June 2025, the Group’s profit after income tax amounted to approximately RMB14.2 million, representing a decrease of approximately RMB39.9 million or approximately 73.8% compared to approximately RMB54.1 million for the corresponding period in 2024.

### Property management services

The Group provides a range of property management services to property owners, residents, and property developers, including security, cleaning, greening, gardening as well as repair and maintenance services. The Group’s property management portfolio focuses on serving residential communities and also involves other types of properties, such as commercial properties and government offices, schools, hospitals, industrial parks and other professional services projects.

For the six months ended 30 June 2025, the revenue from property management services amounted to approximately RMB566.7 million, representing an increase of approximately RMB30.1 million or approximately 5.6% as compared to approximately RMB536.6 million in the same period in 2024. For the six months ended 30 June 2025, revenue generated from property management services accounted for approximately 80.8% of the Group’s total revenue for the period.



## Management Discussion and Analysis

For the six months ended 30 June 2025, the Group managed 362 property management projects, with a total GFA under management of approximately 55.8 million sq.m., representing a decrease of approximately 5.3 million sq.m. or approximately 8.7% as compared to approximately 61.1 million sq.m. in the same period in 2024; the number of contracted projects was 377, with a total contracted GFA of approximately 61.4 million sq.m., representing a decrease of approximately 7.3 million sq.m. or approximately 10.6% as compared to approximately 68.7 million sq.m. in the same period in 2024. It mainly covers six regions across China including Northern China, Northeastern China, Eastern China, Central China, Southwestern China and Southern China.

The table below sets out the breakdowns of (i) revenue from property management services and (ii) GFA under management classified by geographic regions which the Group provides property management services for the periods indicated:

	Six months ended 30 June							
	2025				2024			
	Revenue generated from property management services		GFA under management		Revenue generated from property management services		GFA under management	
	(RMB'000)	(%)	('000 sq.m.)	(%)	(RMB'000)	(%)	('000 sq.m.)	(%)
Northern China <sup>(1)</sup>	72,884	12.9	6,569	11.8	70,374	13.1	6,597	10.8
Northeastern China <sup>(2)</sup>	20,249	3.6	2,606	4.7	21,992	4.1	2,395	3.9
Eastern China <sup>(3)</sup>	115,403	20.4	8,176	14.6	103,793	19.4	14,802	24.2
Central China <sup>(4)</sup>	9,272	1.6	1,339	2.4	10,344	1.9	1,492	2.4
Southwestern China <sup>(5)</sup>	287,962	50.8	31,505	56.4	282,195	52.6	31,187	51.1
Southern China <sup>(6)</sup>	60,929	10.7	5,645	10.1	47,898	8.9	4,616	7.6
Total	566,699	100.0	55,840	100.0	536,596	100.0	61,089	100.0

**Notes:**

- (1) "Northern China" includes Beijing, Tianjin, Tangshan and Hohhot.
- (2) "Northeastern China" includes Harbin, Shenyang, Panjin and Dandong.
- (3) "Eastern China" includes Shanghai, Hangzhou, Jiaxing, Wenling, Kunshan and Jinan.
- (4) "Central China" includes Changsha, Yiyang, Yueyang, Huaihua and Zaoyang.
- (5) "Southwestern China" includes Chongqing, Chengdu, Neijiang, Meishan, Guiyang, Zunyi and Qiannanzhou.
- (6) "Southern China" includes Guangzhou, Dongguan, Zhongshan, Foshan, Jiangmen, Huizhou, Haikou, Sanya, Lingshui, Ledong and Wenchang.

## Management Discussion and Analysis

The following diagram illustrates the Group's geographical coverage of properties services projects under management as at 30 June 2025:



## Management Discussion and Analysis

The Group managed a diverse portfolio of properties, comprising primarily residential properties and to a lesser extent, non-residential properties. Non-residential properties include commercial properties and other types of professional services projects. The table below sets out the breakdowns of its: (i) revenue generated from property management services by type of properties; and (ii) GFA under management by type of properties for the periods indicated:

	Six months ended 30 June							
	2025				2024			
	Revenue generated from property management services		GFA under management		Revenue generated from property management services		GFA under management	
	RMB'000	%	'000 sq.m.	%	RMB'000	%	'000 sq.m.	%
Residential properties	484,425	85.5	49,515	88.7	471,857	87.9	55,627	91.1
Non-residential properties	82,274	14.5	6,325	11.3	64,739	12.1	5,462	8.9
Total	566,699	100.0	55,840	100.0	536,596	100.0	61,089	100.0

### Community value-added services

As an extension of the Group's property management services business, the Group provides community value-added services to property owners and residents according to their needs. The Group's community value-added services help to meet the high-quality life needs of the property owners and residents, enhance their customer experience, as well as to create a healthier and more convenient living community. The community value-added services, mainly includes home-living services, housing asset management, housing decoration and renovation services, community group purchase, online community business platform, leasing of car parking space, and leasing of common facilities.

## Management Discussion and Analysis

For the six months ended 30 June 2025, the Group's revenue from community value-added services reached approximately RMB124.2 million, representing an increase of approximately RMB8.6 million, or approximately 7.4% as compared to approximately RMB115.6 million in the same period in 2024. For the six months ended 30 June 2025, revenue generated from community value-added services accounted for approximately 17.7% of the Group's total revenue for the period.

### Value-added services to non-property owners

Revolving around the needs of property developers, the Group mainly provides site services and diverse auxiliary property management services for property developers, and provides full-cycle and full-process services before property sales and delivery. Based on the professional service standards of the Group in the property management industry, it assists property developers to enhance brand value in an all-rounded way.

For the six months ended 30 June 2025, the Group's revenue from value-added services to non-property owners reached approximately RMB10.5 million, representing a decrease of approximately RMB9.3 million, or approximately 47.0% as compared to approximately RMB19.8 million in the same period in 2024. For the six months ended 30 June 2025, revenue generated from value-added services to non-property owners accounted for approximately 1.5% of the Group's total revenue for the period.



## Management Discussion and Analysis

### FUTURE OUTLOOK

The Group fully recognizes that the property management services industry is currently at a critical juncture of transformation and development, with increasingly intense market competition and continuously evolving demands from property owners and clients, presenting ongoing significant challenges. Looking ahead to the second half of the year, the Group will steadfastly implement its established development strategy to promote high-quality and sustainable growth of the Group. In terms of service quality, we will further optimize service standards and processes, strengthen employee training and assessments, continuously improve property owner satisfaction, and build an outstanding brand image for Hevol Services. In market expansion, we will continue to deepen our presence in core regions, accelerate the development in emerging markets, and expand diversified business formats to achieve dual growth in scale and profitability. In the field of smart technology, we will continue to upgrade the smart property management platform, strengthen the application and innovation of intelligent devices, explore more smart service scenarios, and enhance operational efficiency and service quality. In terms of Party-building leadership, we will strengthen Party organization building, enrich the forms of Party activities, and actively fulfill social responsibilities.

### FINANCIAL REVIEW

#### Revenue

The Group derived revenue from: (i) property management services; (ii) community value-added services; and (iii) value-added services to non-property owners. Overall revenue increased by approximately RMB29.4 million, or approximately 4.4% from approximately RMB672.0 million for the six months ended 30 June 2024 to approximately RMB701.4 million for the six months ended 30 June 2025. Such growth was primarily attributable to (i) an increase in revenue from property management services by approximately RMB30.1 million, or approximately 5.6% resulting from the Group's intensification of fully entrusted market expansion effort to acquire new property service projects for high-quality residential communities and public buildings with higher unit prices; and (ii) an increase in revenue from community value-added services of approximately RMB8.6 million or approximately 7.4% as the Group actively developed and expanded home-living services to existing residential communities.

## Management Discussion and Analysis

The following table sets out a breakdown of the Group's total revenue by business segment for the periods indicated:

	Six months ended 30 June					
	2025		2024		Change	
	RMB'000	%	RMB'000	%	RMB'000	%
Property management services	566,699	80.8	536,596	79.8	30,103	5.6
Community value-added services	124,212	17.7	115,625	17.2	8,587	7.4
Value-added services to non-property owners	10,469	1.5	19,817	3.0	(9,348)	(47.2)
Total	701,380	100.0	672,038	100.0	29,342	4.4

### Property management services

Property management services primarily include the provision of security, cleaning, greening, gardening as well as repair and maintenance services to residential communities, commercial properties and other professional service projects. Revenue from property management services increased by approximately RMB30.1 million, or approximately 5.6% from approximately RMB536.6 million for the six months ended 30 June 2024 to approximately RMB566.7 million for the six months ended 30 June 2025. Such increase was primarily attributable to the Group's intensification of fully entrusted market expansion effort to acquire new property service projects for high-quality residential communities and public buildings with higher unit prices.

## Management Discussion and Analysis

### *Community value-added services*

Revenue from community value-added services increased by approximately RMB8.6 million or approximately 7.4% from approximately RMB115.6 million for the six months ended 30 June 2024 to approximately RMB124.2 million for the six months ended 30 June 2025. Such increase was mainly because the Group actively developed and expanded home-living services to existing residential communities.

### *Value-added services to non-property owners*

The Group provides a wide range of value-added services to non-property owners including site services and auxiliary property management services. Revenue from value-added services to non-property owners decreased by approximately RMB9.3 million, or approximately 47.0% from approximately RMB19.8 million for the six months ended 30 June 2024 to approximately RMB10.5 million for the six months ended 30 June 2025. Such decrease was mainly due to a further decrease of site services and auxiliary property management services to property developers resulted from impact of domestic real estate market as well as the decrease in service prices.

### **Cost of Sales**

Cost of sales of the Group primarily comprises staff costs, sub-contracting costs, utility expenses, repairs and maintenance costs, cost of providing ancillary property management services, material costs and sales taxes. Cost of sales increased by approximately RMB38.6 million or approximately 8.0% from approximately RMB483.7 million for the six months ended 30 June 2024 to approximately RMB522.3 million for the six months ended 30 June 2025. Such increase was mainly attributable to: (i) an increase of repairs and maintenance expenses by approximately RMB21.1 million for the six months ended 30 June 2025 as compared to the same period in 2024 due to the substantial initial investment required for newly expanded projects and the increased costs of construction and transformation to improve project quality; and (ii) an increase of utility expenses of approximately RMB6.8 million for the six months ended 30 June 2025 as compared to the same period in 2024 due to the increase in the number of public building projects. The growth rate of cost of sales was slightly higher than that of revenue, primarily due to the Group's proactive efforts in construction and transformation to improve project quality and the continuous expansion into new business formats and the increase in number of public building projects, which led to higher costs.

## Management Discussion and Analysis

### Gross Profit and Gross Profit Margin

The table below sets forth the Group's gross profit and gross profit margin by business segment for the periods indicated:

	Six months ended 30 June					
	2025		2024		Change	
	Gross profit RMB'000	Gross profit margin %	Gross profit RMB'000	Gross profit margin %	RMB'000	%
Property management services	123,274	21.8	131,510	24.5	(8,236)	(6.3)
Community value-added services	53,703	43.2	51,286	44.4	2,417	4.7
Value-added services to non-property owners	2,100	20.1	5,571	28.1	(3,471)	(62.3)
Total	179,077	25.5	188,367	28.0	(9,290)	(4.9)

Overall gross profit of the Group decreased by approximately RMB9.3 million, or approximately 4.9% from approximately RMB188.4 million for the six months ended 30 June 2024 to approximately RMB179.1 million for the six months ended 30 June 2025. The overall gross profit margin decreased from approximately 28.0% for the six months ended 30 June 2024 to approximately 25.5% for the six months ended 30 June 2025. Such decrease was primarily attributable to (1) the significant investment in the preliminary stage of new projects for market expansion and increased engineering repair and equipment maintenance expenses in the property management services segment to improve project quality; and (ii) the Group's continuous expansion into new business formats, resulting in increased utility expenses as the number of public building projects increased.



## Management Discussion and Analysis

### *Property management services*

Gross profit for the Group's property management services decreased by approximately RMB8.2 million or approximately 6.3% from approximately RMB131.5 million for the six months ended 30 June 2024 to approximately RMB123.3 million for the six months ended 30 June 2025. Gross profit margin of the Group's property management services decreased to approximately 21.8% for the six months ended 30 June 2025 from approximately 24.5% for the six months ended 30 June 2024. Such decrease was primarily attributable to (i) the significant investment in the preliminary stage of new projects for market expansion and increased engineering repair and equipment maintenance expenses in the property management services segment to improve project quality; and (ii) the Group's continuous expansion into new business formats, resulting in increased utility expenses as the number of public building projects increased.

### *Community value-added services*

Gross profit for the Group's community value-added services increased by approximately RMB2.4 million, or approximately 4.7% from approximately RMB51.3 million for the six months ended 30 June 2024 to approximately RMB53.7 million for the six months ended 30 June 2025. Gross profit margin for the Group's community value-added services decreased from approximately 44.4% for the six months ended 30 June 2024 to approximately 43.2% for the six months ended 30 June 2025, mainly because the Group provided a variety of convenient services to community residents such as focusing on carrying out partial building renovation and refurbishment businesses, which have relatively low gross profit margins.

### *Value-added services to non-property owners*

Gross profit for the Group's value-added services to non-property owners decreased by approximately RMB3.5 million, or approximately 62.3% from approximately RMB5.6 million for the six months ended 30 June 2024 to approximately RMB2.1 million for the six months ended 30 June 2025. Gross profit margin for the Group's value-added services to non-property owners decreased from approximately 28.1% for the six months ended 30 June 2024 to approximately 20.1% for the six months ended 30 June 2025, mainly attributable to the decrease in prices of sales site and ancillary property management services provided to property developers resulting from impact of real estate market in the PRC.

### Other income and gains and losses, net

Other income, gains and losses, net of the Group was a loss of approximately RMB19.2 million for the six months ended 30 June 2025, while other income, gains and losses, net amounted to approximately RMB3.3 million for the six months ended 30 June 2024. The loss was mainly attributable to a one-time loss of approximately RMB19.3 million resulting from the disposal of 51% equity interest in Jiangsu Shenhua Times Property Group Co., Ltd.\* (江蘇深華時代物業集團有限公司) (“**Jiangsu Shenhua**”).

### Administrative Expenses

Administrative expenses of the Group mainly include staff costs, bad debts, hospitality expenses, professional fees, conference fees, training costs for its employees, travelling fees, depreciation and amortisation. Administrative expenses of the Group decreased by approximately RMB3.6 million, or approximately 3.6% from approximately RMB99.7 million for the six months ended 30 June 2024 to approximately RMB96.1 million for the six months ended 30 June 2025, primarily due to the Group’s enhanced cost control measures, which led to reductions in ordinary hospitality expenses and office expenses, as well as the adoption of online meetings wherever possible to replace physical meetings, thereby decreasing conference fees and travelling fees.

### Income Tax Expense

Income tax expenses of the Group decreased by approximately RMB0.2 million, or approximately 1.5% from approximately RMB13.0 million for the six months ended 30 June 2024 to approximately RMB12.8 million for the six months ended 30 June 2025, primarily due to the inclusion of tax effect on non-taxable income.

### Profit for the Period

Profit for the period of the Group decreased by approximately RMB39.9 million, or approximately 73.8% from approximately RMB54.1 million for the six months ended 30 June 2024 to approximately RMB14.2 million for the six months ended 30 June 2025, mainly attributable (i) a one-time loss of approximately RMB19.3 million resulting from the disposal of 51% equity interest in Jiangsu Shenhua; (ii) the increase in provision for credit impairment of trade receivables of approximately RMB9.7 million; and (iii) an increase in repairs and maintenances costs, sub-contracting costs, utilities expenses and pre-investment costs for new property service projects in order to improve project quality.

\* for identification purpose only

## Management Discussion and Analysis

### Intangible Assets

Intangible assets of the Group mainly consisted of identified property management contracts and customers relationships, which decreased from approximately RMB92.2 million as at 31 December 2024 to approximately RMB76.9 million as at 30 June 2025, mainly due to the decrease in intangible assets resulting from amortisation and disposal of Jiangsu Shenhua during the period.

### Investment Properties

Investment properties of the Group consisted of certain car parking spaces and shop premises, which increased from approximately RMB78.9 million as at 31 December 2024 to approximately RMB93.7 million as at 30 June 2025, mainly due to investment property additions for the period of approximately RMB21.6 million, set off by depreciation of investment properties of approximately RMB6.1 million and disposal of investment properties of approximately RMB0.7 million.

### Goodwill

The Group's goodwill decreased from approximately RMB460.5 million as at 31 December 2024 to approximately RMB429.2 million as at 30 June 2025, which was mainly due to the decrease in goodwill resulting from disposal of Jiangsu Shenhua.

### Trade and Other Receivables

Trade and other receivables mainly include trade receivables, prepayments and other receivables. Trade receivables are mainly related to property management services as well as value-added services. Trade receivables of the Group increased from approximately RMB452.7 million as at 31 December 2024 to approximately RMB489.2 million as at 30 June 2025, primarily due to the organic growth of trade receivables. Other receivables increased from approximately RMB278.5 million as at 31 December 2024 to approximately RMB307.3 million as at 30 June 2025, mainly due to an increase in other receivables resulting from disposal of Jiangsu Shenhua. The Group seeks to strengthen strict control over its outstanding receivables, performs ongoing credit evaluation of its customers and makes frequent contact with customers to encourage regular payment of management fees.

### Contract Liabilities

The Group's contract liabilities mainly arise from advance payments made by customers while the underlying property management services are yet to be provided. Contract liabilities of the Group decreased from approximately RMB381.4 million as at 31 December 2024 to approximately RMB319.0 million as at 30 June 2025.

### Trade and Other Payables

Trade payables of the Group increased from approximately RMB137.3 million as at 31 December 2024 to approximately RMB152.1 million as at 30 June 2025, primarily due to an increase in purchase of materials and utilities during the period. Other payables consist of accrued charges and other payables, consideration payables, financial guarantees issued, accrued staff costs, other tax liabilities and amounts collected on behalf of property owner committees and property owners. The decrease in other payables of the Group from approximately RMB307.9 million as at 31 December 2024 to approximately RMB303.5 million as at 30 June 2025 was primarily due to a decrease in accrued charges and other payables of approximately RMB13.7 million, and decreases in staff costs and welfare accruals, the amounts collected on behalf of property owners and other tax liabilities of approximately RMB16.0 million in aggregate, which was partially offset by an increase in consideration payable less non-current portion which shall be settled by installments until March 2029 as mutually agreed, of approximately RMB28.0 million.

### Liquidity, Financial and Capital Resources

The Group's cash and cash equivalents decreased from approximately RMB273.7 million as at 31 December 2024 to approximately RMB169.1 million as at 30 June 2025. As at 30 June 2025, the cash and cash equivalents of the Group were mainly denominated in RMB and HKD. The Group's financial position remained solid. As at 30 June 2025, the Group's net current assets decreased from approximately RMB116.5 million as at 31 December 2024 to approximately RMB85.6 million as at 30 June 2025. As at 30 June 2025, the Group's current ratio was approximately 1.10 times compared to approximately 1.13 times as at 31 December 2024. During the six months ended 30 June 2025, the Group did not employ any financial instrument for hedging purpose.

As at 30 June 2025, the Group had outstanding bank borrowings of approximately RMB99.4 million (31 December 2024: approximately RMB82.9 million), of which certain of the Group's investment properties of approximately RMB38.2 million were pledged for the Group's bank borrowings of RMB23.0 million; certain of the Group's trade receivables of RMB70.0 million were pledged for the Group's bank borrowings of RMB32.5 million; and 70% of the paid-in capital of Guiyang Xinglong Property Management Co., Ltd.\* (貴陽興隆物業管理有限公司) ("**Guiyang Xinglong**") of RMB7.0 million was pledged for the Group's bank borrowings of RMB15.0 million. Our borrowings were denominated in RMB. As at 30 June 2025, 100% (31 December 2024: 100%) of the Group's borrowings were on fixed interest rates.

\* for identification purpose only



## Management Discussion and Analysis

### Treasury Policies

The Group has adopted a prudent financial management approach towards its treasury policies to ensure the liquidity requirements from daily operation as well as capital expenditures are met. The Board of the Company closely monitors the Group's liquidity positions, while surplus cash will be invested appropriately with the consideration of the credit risks, liquidity risks and market risks of the financial instruments.

### Foreign Exchange Risk and Related Hedges

The Group is principally focused on its business in China. Except for bank deposits denominated in foreign currencies, the Group was not subject to any other material risk directly relating to foreign exchange fluctuation. During the six months ended 30 June 2025, the directors of the Company ("**Directors**") expected that fluctuations of the RMB exchange rate would not materially and adversely affect the operations of the Group. The Group does not hedge its foreign currency risk. The Group does not have a foreign currency hedging policy. The management will continue to monitor the foreign exchange exposure, and take prudent measures to reduce foreign exchange risks.

### Employees and Remuneration Policies

The Group had 3,976 employees as at 30 June 2025 compared to 4,864 employees as at 30 June 2024. For the six months ended 30 June 2025, the Group's total staff costs were approximately RMB225.1 million. The remuneration package of the Group's employees included salary, bonus and other cash subsidies. Employees were rewarded on a performance related basis, together with reference to the profitability of the Group, remuneration benchmarks in the industry, and prevailing market conditions within the general framework of the Group's salary and bonus system. The Group was subject to social insurance contribution plans or other pension schemes prescribed by the local governments and was required to pay on behalf of the employees a monthly social insurance fund covering pension fund, medical insurance, work-related injury insurance, maternity insurance and unemployment insurance, the housing provident fund, or other mandatory provident fund schemes on behalf of the employees. The Group hosted comprehensive internal staff training programmes for its staff to improve and enhance their technical and service skills, as well as to provide them with the knowledge of industry quality standards and work place safety standards. The Group provided orientation training to new hires and introduce them to the Group's corporate culture to understand its service standards and procedures. The Group also provided training courses and regular seminars on various aspects of its business operations, such as quality control and customer relationship management, to its employees. The Group had also adopted a share option scheme, details of which are disclosed in the paragraph headed "Share Option Scheme" in this report.

# Corporate Governance and Other Information

## INTERIM DIVIDEND

The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2025.

## CHARGE ON ASSETS

As at 30 June 2025, the Group's certain investment properties of approximately RMB38.2 million (31 December 2024: approximately RMB36.5 million) were pledged for the Group's bank borrowings of RMB23.0 million (31 December 2024: approximately RMB21.5 million); the Group's certain trade receivables of RMB70.0 million (31 December 2024: RMB70.0 million) were pledged for the Group's bank borrowings of RMB32.5 million (31 December 2024: RMB35.5 million); and 70% of the paid-in capital of Guiyang Xinglong of RMB7.0 million was pledged for the Group's bank borrowings of RMB15.0 million (31 December 2024: nil).

## GEARING RATIO

The Group's gearing ratio is calculated as net debt divided by total equity. Net debt is calculated as total interest-bearing debt less cash and cash equivalents. As at 30 June 2025 and 31 December 2024, the gearing ratio of the Group maintained at net cash position.

## CONTINGENT LIABILITIES

As at 30 June 2025, the Group did not have any material contingent liabilities (31 December 2024: Nil).

## SIGNIFICANT INVESTMENTS HELD AND FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

During the Reporting Period, the Group did not hold any single significant investment which accounted for over 5% of the Group's total assets, and the Group has no plan for other material investments or additions of capital assets as at the date of this report.

## Corporate Governance and Other Information

### MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

On 9 May 2025, the Group has agreed to dispose 51% of equity interest of Jiangsu Shenhua at a total consideration of RMB30,500,000. For details, please refer to the announcements of the Company dated 9 May 2025 and 20 May 2025.

On 11 June 2025, the Group has agreed to acquire further 30% equity interest of Guiyang Xinglong at a total consideration of RMB60,189,700. For details, please refer to the announcement of the Company dated 11 June 2025.

Saved as disclosed as the above, the Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures during the six months ended 30 June 2025.

### SUBSEQUENT EVENTS

There has been no significant subsequent event from 30 June 2025 to the date of this report.

### COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high standards of corporate governance by focusing on principles of integrity, accountability, transparency independence, responsibility and fairness to safeguard the interests of the shareholders of the Company and to enhance corporate value and accountability.

The Company has adopted Corporate Governance Code (the “**CG Code**”) set out in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on the The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) as its own code of corporate governance. The Company has complied with all applicable code provisions set out in the CG Code during the six months ended 30 June 2025. The Company will continue to review and enhance its corporate governance practices to ensure the compliance with the CG Code.

### COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as a code of conduct for Directors to conduct securities transactions. Having made specific inquiries with all the Directors, each of the Directors has confirmed that he/she has complied with the Model Code during the six months ended 30 June 2025.

### AUDIT COMMITTEE

The Audit Committee of the Company assists the Board in providing an independent view of the effectiveness of the financial reporting process, risk management and internal control systems of the Group, performing other duties and responsibilities as may be assigned by the Board from time to time.

The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Fan Chi Chiu, Dr. Chen Lei and Mr. Qian Hongji. The Audit Committee had reviewed the unaudited interim report for the six months ended 30 June 2025 and has discussed, among other things, the matters of risk management and internal control with the management.

### USE OF NET PROCEEDS FROM LISTING

With the shares of the Company listed on the Stock Exchange on 12 July 2019, the net proceeds from the Global Offering were approximately HK\$75.8 million (equivalent to approximately RMB66.6 million), which will be utilised for the purposes as set out in the Company's prospectus dated 27 June 2019 (the "**Prospectus**"). As at 30 June 2025, all of the net proceeds from the listing have been utilised in the manner consistent with that as set out in the Prospectus.

### PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company.

### CHANGES IN DIRECTORS' INFORMATION

The Company is not aware of any changes in the Directors' information which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the date of the annual report of the Company for the year ended 31 December 2024.

### CONTINUING DISCLOSURE OBLIGATION PURSUANT TO THE LISTING RULES

The Company did not have any disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.



## Corporate Governance and Other Information

### DIRECTORS' AND CHIEF EXECUTIVES' INTEREST AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2025, the interests or short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance ("SFO")), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

#### Long positions in the issued shares

Name of Director	Nature of interest	Number of ordinary shares held	Approximate percentage of shareholding
Mr. Liu Jiang <sup>(1)</sup>	Interest in a controlled corporation	286,439,934	51.15%

Note:

- The entire issued share capital of Brilliant Brother Group Limited ("Brilliant Brother") is held by Mr. Liu Jiang ("Mr. Liu"). Accordingly, Mr. Liu is deemed to be interested in all the Shares held by Brilliant Brother under the SFO. Mr. Liu, a non-executive Director, is also a director of Brilliant Brother.

#### Long position in associated corporation

Name of Director	Associated corporation	Nature of interest	Number of ordinary shares held	Approximate percentage of shareholding
Mr. Liu <sup>(1)</sup>	Brilliant Brother	Beneficial owner	1	100.0%

Note:

- Brilliant Brother, a company whose entire issued share capital is held by Mr. Liu, is the ultimate holding company of the Company and thus an associated corporation of the Company under the SFO.

## Corporate Governance and Other Information

Save as disclosed above, as at 30 June 2025, none of the Directors and chief executive of the Company held or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (as defined in Part XV of SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of SFO (including interests and short positions which were taken or deemed to have taken under such provisions of SFO), or which were required, pursuant to Section 352 of SFO, to be entered into the register maintained by the Company, or which were required to be notified to the Company and the Stock Exchange pursuant to Model Code.

Save as disclosed above, as at the 30 June 2025, none of the Directors was a director or employee of a company which had, or was deemed to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

### SUBSTANTIAL SHAREHOLDERS' INTEREST AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2025, according to the register kept under Section 336 of the SFO, the following companies and persons (other than the Directors and chief executives of the Company) had long positions of 5% or more in the Shares and underlying Shares which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO:

#### Interests and long positions in the Shares

Shareholder Name	Capacity	Number of shares held or interested	Approximate percentage of shareholding
Mr. Liu <sup>(1)</sup>	Interest of controlled corporation	286,439,934	51.15%
Brilliant Brother	Beneficial owner	286,439,934	51.15%
Mrs. Liu Hong (劉宏) <sup>(2)</sup>	Interest of spouse	286,439,934	51.15%

#### Notes:

- (1) The entire issued share capital of Brilliant Brother is held by Mr. Liu. Therefore, Mr. Liu is deemed to be interested in the Shares held by Brilliant Brother in the Company under the SFO.
- (2) By virtue of the SFO, Mrs. Liu Hong (劉宏) is deemed to be interested in the Shares held by her spouse, Mr. Liu, whose interests are disclosed in the above section headed "Directors' and Chief Executives' Interest and Short Positions in Shares, Underlying Shares and Debentures".

## Corporate Governance and Other Information

Save as disclosed above, as at 30 June 2025, the Company has not been notified of any other person (other than the Directors or chief executives of the Company) who was recorded in the register of the Company as having an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

### Share Option Scheme

On 14 June 2019 (the “**Adoption Date**”), the Company adopted a share option scheme (the “**Share Option Scheme**”). The purpose of the Share Option Scheme is to provide selected participants an opportunity to have a personal stake in our Company with the view to achieving the following objectives: (i) motivate the selected participants to optimise their performance efficiency for the benefit of our Group; and (ii) attract and retain or otherwise maintain an on-going business relationship with the selected participants whose contributions are or will be beneficial to the long-term growth of our Group.

According to the terms of the Share Option Scheme, the participants of the Share Option Scheme include (i) any full-time or part-time employees, executives or officers of our Company or any of its subsidiaries; (ii) any Directors (including independent non-executive Directors) of our Company or any of its subsidiaries; and (iii) any advisors, consultants, suppliers, customers, distributors and such other persons who in the sole opinion of the Board will contribute or have contributed to our Company or any of its subsidiaries. Notwithstanding the above, following the amendment of Chapter 17 of the Listing Rules, Share grants may only be made to eligible participants as defined in the amended Chapter 17 after 1 January 2023, being the effective date of such amendment.

The maximum number of shares in respect of which options may be granted under the Share Option Scheme and under any other share option schemes of the Company must not in aggregate exceed 10% of the total number of shares in issue immediately following completion of the capitalisation issue (as defined in the Prospectus) and the global offering (as defined in the Prospectus), being 40,000,000 shares (representing approximately 7.14% of the issued shares as at the date of this interim report), excluding for this purpose shares which would have been issuable pursuant to options which have lapsed in accordance with the terms of the Share Option Scheme (or any other share option schemes of the Company) at the beginning and the end of the six months ended 30 June 2025. No service provider sublimit was set under the Share Option Scheme. The maximum number of shares issued and which may fall to be issued upon exercise of the share options granted to each participant (including both exercised and outstanding share options) under the Share Option Scheme or any other share option schemes of the Company in any 12-month period is limited to 1% of the shares in issue at the date of grant, unless otherwise separately approved by shareholders in general meeting with such participant and his close associates (or his associates if the participant is a connected person) abstaining from voting. Upon acceptance of the option, the grantee shall pay HK\$1.0 to the Company by way of consideration for the grant. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

## Corporate Governance and Other Information

Subject to the terms of grant of an option, an option may be exercised at any time after the date upon which the option is deemed to be granted and accepted in accordance with the vesting schedule. The period during which an option may be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than 10 years after it has been granted. A grantee may be required to achieve any performance targets as our Board may then specify in the grant before any options granted under the Share Option Scheme can be exercised. The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price must be at least the higher of: (i) the official closing price of the shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities; (ii) the average of the official closing prices of our shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share.

The Share Option Scheme is valid and effective for a period of 10 years commencing on the Adoption Date unless terminated earlier by the shareholders in general meeting. As at 30 June 2025, the remaining life of the Share Option Scheme was approximately three years and eleven and a half months.

No option of the Company was granted to the Company's employees and other eligible participants since the Adoption Date and up to 30 June 2025.

Further details of the principal terms of the Share Option Scheme are set out in "Appendix V – Statutory and General Information – D. Share Option Scheme" of the Prospectus.



# Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

		Six months ended 30 June	
	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>Revenue</b>	4	<b>701,380</b>	672,038
Cost of sales		(522,303)	(483,671)
<b>Gross profit</b>		<b>179,077</b>	188,367
Other income and gains and losses, net	5	(19,198)	3,311
Expected credit loss ("ECL") allowance on trade and other receivables, net		(32,777)	(23,071)
Administrative expenses		(96,097)	(99,678)
Finance costs	6(a)	(4,032)	(1,810)
Share of profit/(loss) of associates		23	(3)
<b>Profit before income tax</b>	6(b)	<b>26,996</b>	67,116
Income tax expense	7	(12,846)	(13,007)
<b>Profit for the period</b>		<b>14,150</b>	54,109
<b>Other comprehensive income for the period, net of nil tax</b>			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
– Exchange differences on translation of the Company's financial statements into its presentation currency		(20)	(31)
<b>Total comprehensive income for the period</b>		<b>14,130</b>	54,078

## Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

		Six months ended 30 June	
	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>Profit for the period attributable to:</b>			
Equity shareholders of the Company		3,076	39,539
Non-controlling interests		11,074	14,570
		<b>14,150</b>	<b>54,109</b>
<b>Total comprehensive income for the period attributable to:</b>			
Equity shareholders of the Company		3,056	39,508
Non-controlling interests		11,074	14,570
		<b>14,130</b>	<b>54,078</b>
<b>Earnings per share attributable to equity shareholders of the Company</b> <i>(expressed in RMB cents)</i>			
Basic and diluted	9	0.55	7.06

The notes on pages 34 to 52 are an integral part of these financial statements.

# Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
<b>Non-current assets</b>			
Property, plant and equipment	10	23,020	23,784
Intangible assets		76,929	92,161
Investment properties		93,722	78,868
Goodwill		429,218	460,519
Investments in associates		1,142	1,661
Other deposits		25,367	26,476
Deferred tax assets		38,671	36,674
		<b>688,069</b>	720,143
<b>Current assets</b>			
Inventories		819	1,245
Trade and other receivables	11	796,556	731,199
Restricted bank deposits		5,331	1,232
Bank balances and cash		169,060	273,705
		<b>971,766</b>	1,007,381
<b>Current liabilities</b>			
Bank borrowings		64,945	46,965
Contract liabilities		319,039	381,434
Trade and other payables	12	455,595	445,227
Lease liabilities		8,339	10,923
Income tax liabilities		38,284	6,375
		<b>886,202</b>	890,924
<b>Net current assets</b>		<b>85,564</b>	116,457
<b>Total assets less current liabilities</b>		<b>773,633</b>	836,600

## Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
<b>Non-current liabilities</b>			
Bank borrowings		34,490	35,980
Other payables	12	32,190	–
Lease liabilities		6,829	6,829
Deferred tax liabilities		21,153	24,708
		94,662	67,517
<b>Net assets</b>		678,971	769,083
<b>EQUITY</b>			
Share capital	13	38	38
Reserves		646,786	693,047
<b>Equity attributable to equity shareholders of the Company</b>		646,824	693,085
Non-controlling interests		32,147	75,998
<b>Total equity</b>		678,971	769,083

The notes on pages 34 to 52 are an integral part of these financial statements.



# Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to equity shareholders of the Company							Total	Non-controlling interests	Total equity
	Share capital RMB'000	Share premium RMB'000	Capital reserve RMB'000	Statutory reserve RMB'000	Exchange reserve RMB'000	Other reserve RMB'000	Retained profits RMB'000	RMB'000	RMB'000	RMB'000
<b>For the six months ended 30 June 2025 (unaudited)</b>										
Balance at 1 January 2025	38	319,252	34,226	27,613	19,824	(58,084)	350,216	693,085	75,998	769,083
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	3,076	3,076	11,074	14,150
Other comprehensive income for the period										
– Exchange differences on translation of the Company's financial statements into its presentation currency	-	-	-	-	(20)	-	-	(20)	-	(20)
	-	-	-	-	(20)	-	3,076	3,056	11,074	14,130
Disposal of a subsidiary (note 17)	-	-	-	-	-	-	-	-	(11,984)	(11,984)
Appropriation to statutory reserve	-	-	-	2,203	-	-	(2,203)	-	-	-
Acquisition of non-controlling interests	-	-	-	-	-	(49,317)	-	(49,317)	(10,873)	(60,190)
Dividends distributed to non-controlling interests	-	-	-	-	-	-	-	-	(32,068)	(32,068)
<b>Balance at 30 June 2025 (unaudited)</b>	<b>38</b>	<b>319,252</b>	<b>34,226</b>	<b>29,816</b>	<b>19,804</b>	<b>(107,401)</b>	<b>351,089</b>	<b>646,824</b>	<b>32,147</b>	<b>678,971</b>
<b>For the six months ended 30 June 2024 (unaudited)</b>										
Balance at 1 January 2024	38	319,252	34,226	23,313	19,997	-	300,128	696,954	80,352	777,306
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	39,539	39,539	14,570	54,109
Other comprehensive income for the period										
– Exchange differences on translation of the Company's financial statements into its presentation currency	-	-	-	-	(31)	-	-	(31)	-	(31)
	-	-	-	-	(31)	-	39,539	39,508	14,570	54,078
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	520	520
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	1,209	1,209
Dividends distributed to non-controlling interests	-	-	-	-	-	-	-	-	(26,659)	(26,659)
<b>Balance at 30 June 2024 (unaudited)</b>	<b>38</b>	<b>319,252</b>	<b>34,226</b>	<b>23,313</b>	<b>19,966</b>	<b>-</b>	<b>339,667</b>	<b>736,462</b>	<b>69,992</b>	<b>806,454</b>

The notes on pages 34 to 52 are an integral part of these financial statements.

# Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>Net cash used in operating activities</b>	<b>(64,402)</b>	<b>(172,963)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(4,238)	(2,325)
Proceeds from disposal of property, plant and equipment	47	–
Proceeds from disposal of intangible assets	–	202
Payments to acquire financial assets at fair value through profit or loss	–	(5,500)
Proceeds from disposal of financial assets at fair value through profit or loss	–	6,530
Acquisition of subsidiaries, net of cash acquired	–	700
Acquisition of non-controlling interests	(6,000)	–
Disposal of a subsidiary, net of cash and bank balance disposed of (note 17)	(950)	–
(Increase)/decrease in restricted bank deposits	(4,099)	34
<b>Net cash used in investing activities</b>	<b>(15,240)</b>	<b>(359)</b>
<b>Cash flows from financing activities</b>		
Capital contribution from non-controlling interests	–	520
Payment of lease liabilities	(5,373)	(5,701)
Dividends paid to non-controlling interests	(32,068)	(26,659)
Proceeds from new bank borrowings	53,000	9,000
Repayment of bank borrowings	(36,510)	(13,500)
Interest paid on bank borrowings	(3,703)	(1,338)
Interest paid on lease liabilities	(329)	(472)
<b>Net cash used in financing activities</b>	<b>(24,983)</b>	<b>(38,150)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(104,625)</b>	<b>(211,472)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>273,705</b>	<b>378,205</b>
<b>Effect of foreign exchange rate changes</b>	<b>(20)</b>	<b>(31)</b>
<b>Cash and cash equivalents at end of period, represented by bank balances and cash</b>	<b>169,060</b>	<b>166,702</b>

The notes on pages 34 to 52 are an integral part of these financial statements.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 1. GENERAL INFORMATION

Hevol Services Group Co. Limited (the “**Company**”) was incorporated in the Cayman Islands on 28 May 2018 as an exempted company with limited liability under the Companies Law, Cap 22 (law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company’s registered office is P.O. Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands.

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

The Company’s shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

In the opinion of the directors, the immediate and ultimate holding company of the Company is Brilliant Brother Group Limited, a company incorporated in the British Virgin Islands (“**BVI**”). The controlling shareholder of the Group is Mr. Liu Jiang (“**Mr. Liu**” or the “**Controlling Shareholder**”).

The functional currency of the Company is Hong Kong Dollars, while the interim condensed consolidated financial statements (the “**Interim Financial Statements**”) are represented in Renminbi (“**RMB**”), as in the opinion of the directors of the Company, it presents more relevant information to the management who monitors the performance and financial position of the Group based on RMB. All values are rounded to the nearest thousand (“**RMB’000**”), unless otherwise stated.

The Interim Financial statements for the six months ended 30 June 2025 were approved for issue by the board of directors on 28 August 2025 and have not been audited.

## Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 2. BASIS OF PREPARATION

These Interim Financial Statements have been prepared in accordance with International Accounting Standard ("**IAS**") 34 "Interim Financial Reporting" issued by the International Accounting Standards Board (the "**IASB**") and applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"). These Interim Financial Statements do not include all the information and disclosures that required in a complete set of financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2024.

The Interim Financial Statements have been prepared on the historical cost basis.

The Group has not early adopted any IFRS Accounting Standards that has been issued but is not yet effective for the current accounting period. The accounting policies and methods of computation used in the preparation of the Interim Financial Statements are consistent with those used in the preparation of the Group's annual financial statements for the year ended 31 December 2024 except for the adoption of the amended IFRS Accounting Standards as set out below:

#### Amended IFRS Accounting Standards adopted by the Group as at 1 January 2025

In the current period, the Group has applied for the first time the following amended IFRS Accounting Standards, which is relevant to the Group's operations and effective for the Group's Interim Financial Statements for the annual period beginning on 1 January 2025.

- Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rate)

The adoption of this amended IFRS Accounting Standards has no material impact on these Interim Financial Statements.



## Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Interim Financial Statements in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenue and expenses on a year to date basis. Actual results may differ from these estimates under different assumptions and conditions. There have been no material revisions to the nature and amount of estimates of amounts reported in prior periods.

In preparing the Interim Financial Statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2024.

### 4. REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in the provision of property management services and related valued-added services and leasing services in the PRC. This operating segment has been identified on the basis of internal management reports reviewed by the chief operating decision-maker (the "CODM"), being the executive directors of the Company. The CODM reviews the operating results of the business as one segment to make decisions about resources to be allocated. Therefore, the executive directors of the Company regard that there is only one segment which is used to make strategic decisions.

An analysis of the Group's revenue is as follows:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>Revenue from contracts with customers and recognised over time</b>		
Property management services	566,699	536,596
Community value-added services	115,762	107,676
Value-added services to non-property owners	10,469	19,817
	692,930	664,089
<b>Leasing income (not within the scope of IFRS 15)</b>	8,450	7,949
	701,380	672,038

## Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 4. REVENUE AND SEGMENT INFORMATION (Continued)

#### Geographical information

The major operating entities of the Group are domiciled in the PRC. As at 30 June 2025 and 31 December 2024, substantially all of the non-current assets (other than deferred tax assets) of the Group were located in the PRC.

#### Information about major customers

For the six months ended 30 June 2025, revenue from companies controlled by the Controlling Shareholder contributed 1.2% (six months ended 30 June 2024: 2.6%) of the Group's revenue. Other than companies controlled by Controlling Shareholder, the Group had a large number of customers and none of whom contributed 10% or more of the Group's revenue for the period ended 30 June 2025 and 2024.

### 5. OTHER INCOME AND GAINS AND LOSSES, NET

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Bank interest income	103	241
Fair value gain on financial assets at fair value through profit or loss	–	10
Gain on disposal of intangible assets	–	25
Government subsidy income	1,317	1,387
Investment income	–	8
Loss on disposal of a subsidiary (note 17)	(19,300)	–
Loss on disposal of an associate	(214)	–
Loss on lease modification	(4)	–
Loss on termination of leases	(97)	(23)
Recovery of bad debts	184	463
Sundry income	174	1,200
Write off of trade receivables	(1,361)	–
	(19,198)	3,311

## Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 6. PROFIT BEFORE INCOME TAX

Profit before income tax has been arrived at after charging:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>(a) Finance costs</b>		
Interest expenses on lease liabilities	329	472
Finance costs on interest-bearing bank borrowings	3,703	1,338
	<b>4,032</b>	<b>1,810</b>
<b>(b) Other items</b>		
Amortisation of intangible assets	7,197	7,635
Depreciation of property, plant and equipment		
– Owned assets	3,482	2,856
– Right-of-use assets	781	1,369
Depreciation of investment properties		
– Owned properties	1,557	926
– Sub-leased properties	4,494	3,602
Legal and professional fees	6,572	6,841
Short-term leases	654	472
Write off of property, plant and equipment	–	20

## Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 7. INCOME TAX EXPENSE

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>Current tax – PRC enterprise income tax</b>		
Current period	20,444	17,378
<b>Deferred tax</b>		
Origination and reversal of temporary differences	(7,598)	(4,371)
<b>Total income tax expense</b>	<b>12,846</b>	<b>13,007</b>

Notes:

**(a) CAYMAN ISLANDS INCOME TAX**

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

**(b) BVI INCOME TAX**

Pursuant to the relevant rules and regulations of BVI, the Group is not subject to any income tax in BVI for the six months ended 30 June 2025 and 2024.

**(c) HONG KONG PROFITS TAX**

No provision for Hong Kong profits tax has been made as the Company has no assessable profits arising in Hong Kong in the current and prior periods.



## Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 7. INCOME TAX EXPENSE (Continued)

*Notes: (Continued)*

#### (d) PRC ENTERPRISE INCOME TAX

The income tax provision of certain PRC entities of the Group has been calculated at the statutory tax rate of 25% on the estimated assessable profits for the six months ended 30 June 2025 and 2024, based on the existing legislation, interpretations and practices in respect thereof.

The preferential income tax rate applicable to certain of the Group's PRC entities within the scope of the China's Western Development Program and Hainan Free Trade Port Program was 15% for the six months ended 30 June 2025 and 2024.

Pursuant to the relevant laws and regulation in the PRC, certain of the Group's PRC entities which are qualified as small low-profit enterprises enjoyed a preferential tax rate of 20% for the six months ended 30 June 2025 and 2024. In addition, in accordance with the "Notice on Preferential Income Tax Policies Applicable to Small Low-profit Enterprises", the small and low-profit enterprises are entitled to a tax concession for 75% and 50% of its taxable income for the annual taxable income of less than RMB1,000,000 and the portion that exceeds RMB1,000,000 but does not exceed RMB3,000,000 (inclusive) for the six months ended 30 June 2025 and 2024, respectively.

#### (e) PRC WITHHOLDING INCOME TAX

According to the relevant laws and regulations in the PRC, the Group is also liable to a 10% withholding tax on dividends to be distributed from the Group's foreign-invested enterprises in the PRC in respect of its profits generated from 1 January 2008. If a foreign investor incorporated in Hong Kong meets the conditions and requirements under the double taxation treaty arrangement entered into between the PRC and Hong Kong, the relevant withholding tax rate will be reduced from 10% to 5%.

### 8. DIVIDENDS

The directors do not recommend the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

## Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 9. EARNINGS PER SHARE

#### (a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Profit attributable to equity shareholders of the Company (RMB'000)	3,076	39,539
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (thousands)	560,000	560,000
<b>Basic earnings per share</b> (expressed in RMB cents)	<b>0.55</b>	7.06

#### (b) Diluted earnings per share

Diluted earnings per share for the six months ended 30 June 2025 and 2024 equals the basic earnings per share as there were no dilutive potential ordinary shares in existence during the periods.

## Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group had additions to property, plant and equipment with a cost of RMB4,238,000 (six months ended 30 June 2024: RMB2,325,000). Disposals of property, plant and equipment during the six months ended 30 June 2025 amounting to RMB739,000 (six months ended 30 June 2024: Nil), of which RMB692,000 through the disposal of a subsidiary (note 17). No items of property, plant and equipment have been written off during the six months ended 30 June 2025 (six months ended 30 June 2024: net book value of RMB20,000 had been written off).

Included in the net carrying amount of property, plant and equipment are right-of-use assets as follows:

	Carrying amount		Depreciation	
	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)	For the period ended 30 June 2025 RMB'000 (Unaudited)	For the year ended 31 December 2024 RMB'000 (Audited)
Office premises	273	1,034	760	1,729
Heating facility	–	–	–	377
Staff quarters	10	32	21	354
Car spaces	73	–	–	–
	356	1,066	781	2,460

During the six months ended 30 June 2025, the total additions to right-of-use assets included in property, plant and equipment amounting to RMB73,000 (six months ended 30 June 2024: Nil). This amount was transferred to the Group by certain trade debtors in settlement of their outstanding trade receivables owed to the Group (Note 11(ii)).

## Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 11. TRADE AND OTHER RECEIVABLES

	Notes	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
<b>Trade receivables</b>			
– Third parties	(i)	518,147	473,795
– Related parties	(ii)	111,923	89,825
		630,070	563,620
Less: ECL allowance on trade receivables		(140,859)	(110,953)
		489,211	452,667
<b>Other receivables</b>			
Deposits and other receivables		52,994	83,554
Other deposits		208,903	193,159
Consideration receivable	(iii)	29,500	–
Payment on behalf of property owners		9,997	6,440
Advances to employees		3,385	3,276
		304,779	286,429
Less: ECL allowance on other receivables		(7,948)	(8,549)
		296,831	277,880
Prepayments		35,881	27,128
		332,712	305,008
Less: Other deposits classified as non-current assets (net of ECL allowance of RMB2,341,000 (31 December 2024: RMB2,525,000))		(25,367)	(26,476)
		307,345	278,532
		796,556	731,199



## Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 11. TRADE AND OTHER RECEIVABLES (Continued)

#### (i) Trade receivables

Trade receivables mainly arise from property management services and value-added services.

Property management services income are received in accordance with the terms of the relevant property service agreements. Service income is due for payment upon rendering of services.

As at 30 June 2025, certain of the Group's trade receivables amounted to RMB70,000,000 (31 December 2024: RMB70,000,000) were pledged for the Group's bank borrowings of RMB32,500,000 (31 December 2024: RMB35,500,000).

The ageing analysis of trade receivables based on invoice date, net of ECL allowance, is as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
0 – 90 days	112,047	83,317
91 – 180 days	78,654	54,883
181 – 365 days	78,568	105,135
1 to 2 years	112,226	109,602
2 to 3 years	66,287	63,931
Over 3 years	41,429	35,799
	489,211	452,667

## Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 11. TRADE AND OTHER RECEIVABLES (Continued)

- (ii) During the period ended 30 June 2025, certain trade debtors agreed to transfer the legal titles of their owned properties and right-of-use assets to the Group in settlement of their outstanding trade receivables owed to the Group totalling RMB14,434,000 (31 December 2024: RMB20,080,000). The fair value of these properties and right-of-use assets at the dates of transfer amounting to RMB13,073,000 in total. The difference between their fair value and carrying amount of these trade receivables, net of provisions provided, is recognised in profit or loss.
- (iii) On 9 May 2025, the Group entered into a sale and purchase agreement with a connected person of the Company to dispose of its 51% equity interest in Jiangsu Shenhua Times Property Group Co., Ltd ("**Jiangsu Shenhua**") at a consideration of RMB30,500,000 (the "**Disposal**"). As at 30 June 2025, the remaining consideration receivable in respect of the Disposal amounted to RMB29,500,000. Details of the Disposal are set out in note 17.

## Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 12. TRADE AND OTHER PAYABLES

	Notes	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
<b>Trade payables</b>			
– Third parties	(iii)	152,083	137,307
<b>Other payables</b>			
Accrued charges and other payables		108,917	122,567
Consideration payables	(i), (ii)	60,677	487
Renovation deposits collected from property owners		61,268	64,032
Amounts collected on behalf of property owners		37,839	42,293
Other tax liabilities		26,944	30,433
Staff costs and welfare accruals		40,057	48,108
		335,702	307,920
Less: Non-current portion			
Consideration payable	(ii)	(32,190)	–
		303,512	307,920
		455,595	445,227

Notes:

- (i) As at 30 June 2025 and 31 December 2024, the remaining consideration payable in respect of the acquisition of Chongqing Xinlongxin Property Management Co., Ltd. amounted to RMB487,000.
- (ii) During the period ended 30 June 2025, the Group acquired 30% interest of its subsidiary, Guiyang Xinglong Property Management Co., Ltd. from its non-controlling interests at a consideration of RMB60,190,000 and it remained unsettled as at 30 June 2025.

## Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 12. TRADE AND OTHER PAYABLES (Continued)

Notes: (Continued)

#### (iii) Trade payables

The Group was granted by its suppliers credit periods ranging from 30 to 90 days. The ageing analysis of trade payables based on invoice date is as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
0 – 30 days	45,894	57,286
31 – 180 days	65,446	46,745
181 – 365 days	13,988	13,316
Over 1 year	26,755	19,960
	152,083	137,307

### 13. SHARE CAPITAL

	Number of shares	Nominal value of shares United States dollars ("US\$")
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Authorised:

#### Ordinary shares of the Company:

As at 1 January 2024 (audited),  
31 December 2024 (audited),  
1 January 2025 (audited) and  
30 June 2025 (unaudited)

5,000,000,000

50,000



## Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 13. SHARE CAPITAL (Continued)

	Number of shares	Nominal value of shares US\$	Equivalent nominal value of shares RMB'000
<b>Issued and fully paid:</b>			
<i>Ordinary shares of the Company:</i>			
As at 1 January 2024 (audited), 31 December 2024 (audited), 1 January 2025 (audited) and 30 June 2025 (unaudited)	560,000,000	5,600	38

### 14. SHARE OPTION SCHEME

On 14 June 2019 (the “**Adoption Date**”), the Company adopted a share option scheme (the “**Share Option Scheme**”). The purpose of the Share Option Scheme is to provide selected participants with the opportunity to acquire proprietary interests in the Company and to encourage the selected participants to work towards enhancing the value of the Company and the shareholders as a whole.

The Share Option Scheme is valid and effective for a period of 10 years commencing on the Adoption Date unless terminated earlier by the shareholders in general meeting.

The maximum number of shares issuable upon exercise of all options to be granted under the Share Option Scheme must not in aggregate exceed 10% of the total number of shares in issue.

No option of the Company was granted to the Company’s employees and other eligible participants since the Adoption Date and up to the date of these Interim Financial Statements.

## Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 15. COMMITMENTS

#### (a) Lease commitments

##### *As lessor*

At the reporting date, the Group had total future minimum lease receivables under non-cancellable operating leases falling due as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Within one year	1,330	1,546
After one year but within two years	–	343
	1,330	1,889

#### (b) Capital commitments

Capital commitments outstanding at the end of the reporting period not provided for were as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Capital injection into certain subsidiaries	489	489

## Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 16. MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions/information disclosed elsewhere in the Interim Financial Statements during the period, the Group had the following material transactions with related parties:

- (a) During the period, the transactions with related parties of the Group carried in the ordinary course of business were as follows:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>Companies controlled by Mr. Liu</b>		
Revenue arising from provision of property management and value-added services	8,302	17,323

- (b) **Key management personnel remuneration**

Key management of the Group are members of the board of directors and senior management. Included in employee benefit expenses are key management personnel remuneration which includes the following expenses:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Salaries, bonus and allowances	2,042	2,271
Retirement benefit scheme contributions	172	244
	2,214	2,515

## Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 17. DISPOSAL OF A SUBSIDIARY

On 9 May 2025, the Group entered into a sale and purchase agreement with a connected person of the Company to dispose of its 51% equity interest in Jiangsu Shenhua for a consideration of RMB30,500,000. This transaction constituted a disclosable transaction of the Company and details of this transaction were set out in the Company's announcement dated 9 May 2025. The Disposal was duly completed on 31 May 2025.

	As at 31 May 2025 RMB'000 (Unaudited)
Net assets disposed of at the date of disposal:	
Property, plant and equipment ( <i>note 10</i> )	692
Deferred tax assets	5,089
Inventories	359
Cash and bank balances	1,950
Trade and other receivables	62,193
Trade and other payables	(16,740)
Contract liabilities	(17,280)
Tax payable	(1,816)
Borrowings	(9,990)
Goodwill	31,299
Intangible assets	8,035
Deferred tax liabilities	(2,007)
Non-controlling interests	(11,984)
Total	49,800
Cash consideration	30,500
Loss on disposal of a subsidiary	19,300



## Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 17. DISPOSAL OF A SUBSIDIARY (Continued)

An analysis of the net outflow of cash and cash equivalents in respect of the disposal of a subsidiary is as follows:

	Six months ended 30 June 2025 RMB'000 (Unaudited)
Cash consideration	30,500
Cash and bank balances disposed of	(1,950)
Consideration receivable recorded in trade and other receivables as at 30 June 2025 ( <i>note 11(iii)</i> )	(29,500)
Net outflow of cash and cash equivalents in respect of the disposal of a subsidiary	(950)