

SUNBY 宋服務
臻 享 幸 福 +

Sundy Service Group Co. Ltd 宋都服务集团有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 9608



2025
INTERIM REPORT

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Ms. YU Yun (*Chairman of the Board*)
Mr. ZHU Yihua (*Chief Executive Officer*)
Mr. ZHU Congyue
Mr. ZHANG Zhenjiang

Independent Non-executive Directors

Ms. YE Qian
Mr. HUANG Enze
Mr. ZHU Haoxian

AUDIT COMMITTEE

Ms. YE Qian (*Chairman*)
Mr. HUANG Enze
Mr. ZHU Haoxian

REMUNERATION COMMITTEE

Mr. ZHU Haoxian (*Chairman*)
Mr. HUANG Enze
Ms. YE Qian

NOMINATION COMMITTEE

Ms. YU Yun (*Chairman*)
Ms. YE Qian
Mr. HUANG Enze
Mr. ZHU Haoxian

JOINT COMPANY SECRETARIES

Ms. ZHANG Qisi (*Resigned on 19 March 2025*)
Ms. XU Xiaoli (*Appointed on 19 March 2025*)
Mr. TSANG Ho Yin

STOCK CODE

9608

AUTHORISED REPRESENTATIVES

Mr. ZHU Congyue
Mr. TSANG Ho Yin

HONG KONG LEGAL ADVISOR

Stevenson, Wong & Co.
in association with AllBright Law (Hong Kong)
Offices LLP
39/F, Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong

AUDITOR

Crowe (HK) CPA Limited
Registered Public Interest Entity Auditors
9/F Leighton Centre
77 Leighton Road
Causeway Bay
Hong Kong

PRINCIPAL BANKERS

Bank of Hangzhou
Jiangcheng Sub-branch

China Merchants Bank
Zhijiang Sub-branch

COMPANY'S WEBSITE

<http://songduwuye.com>

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
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REGISTERED OFFICE IN CAYMAN ISLANDS

Conyers Trust Company (Cayman) Limited
Cricket Square
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Cayman Islands

**HEADQUARTERS AND PRINCIPAL PLACE
OF BUSINESS IN THE PEOPLE'S REPUBLIC
OF CHINA**

127, Hanghai Road
Shangcheng district
Hangzhou
Zhejiang Province
PRC

**PRINCIPAL PLACE OF BUSINESS IN HONG
KONG**

39/F, Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
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INVESTOR RELATIONS CONTACT

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Financial Summary

The following is a summary of the results and assets and liabilities of Sundy Service Group Co. Ltd (the “Company”) and its subsidiaries (collectively, the “Group”) for each of the six months ended 30 June 2025 (the “Period”) and the corresponding period in 2024.

RESULTS

	Note	For the six months ended		
		30 June 2025	2024	Changes (%/percentage points) ("p.p.")
		(Unaudited)	(Unaudited)	("p.p.")
Revenue (RMB'000)		116,460	117,602	-1.0%
Gross profit (RMB'000)		30,837	21,879	40.9%
Gross profit margin	(1)	26.5%	18.6%	7.9 p.p.
Profit for the Period (RMB'000)		6,293	4,339	45.0%
Profit margin	(2)	5.4%	3.7%	1.7 p.p.
Profit attributable to owners of the Company (RMB'000)		10,557	5,310	98.8%

Notes:

- (1) Gross profit margin is calculated as gross profit divided by revenue.
- (2) Profit margin is calculated as profit for the period divided by revenue.

ASSETS AND LIABILITIES

	Note	As at 30 June 2025	As at 31 December 2024	Changes (%)
		(Unaudited)	(Audited)	
Cash and cash equivalents (RMB'000)		135,748	175,033	-22.4%
Current assets (RMB'000)		528,994	511,862	3.3%
Total assets (RMB'000)		555,863	549,592	1.1%
Current liabilities (RMB'000)		155,951	156,424	-0.3%
Total liabilities (RMB'000)		155,951	156,424	-0.3%
Total equities attributable to owners of the Company (RMB'000)		395,052	384,044	2.9%
Current ratio	(3)	3.39	3.27	3.7%
Gearing ratio	(4)	N/A	N/A	N/A

Notes:

- (3) Current ratio is calculated as current assets divided by current liabilities.
- (4) Gearing ratio is calculated as net debt divided by total equity. Gearing ratio was not applicable as the Company recorded a net cash position as at 30 June 2025 and 31 December 2024.

Chairman's Statement

To all Shareholders,

China's real estate industry, shaped by the interplay of policy, market dynamics and technology, has exhibited a unique development trajectory. Moving away from an era of rapid scale expansion, the industry has entered a phase of deep cultivation of existing assets, ushering in a critical transition toward high-quality development. The growth of incremental markets has further decelerated, while competition in the stock market has intensified. Under policy guidance, property management fee pricing mechanisms are gradually improving, with "matching quality and price" becoming a core demand of property owners, driving the industry to shift swiftly from scale expansion to quality-driven competition. Meanwhile, the thorough implementation of urban renewal strategies and the widespread rollout of old community renovation projects have created new opportunities for property management companies to revitalize existing assets, therefore, the industry's value focus is shifting toward operational services.

In this challenging environment, the Group was committed to a strategy of prudent operation and innovative breakthroughs during the first half of 2025. Moving forward, we will continue to focus on operational excellence, quality enhancement and efficiency improvement, striving to achieve the development goal of refined operations, superior service, and technology-driven innovation.

OPERATIONAL EXCELLENCE THROUGH REFINED MANAGEMENT

The Group will continue to deepen refined operational management by optimizing cost structures and strengthening resource integration to enhance operational capabilities, further improving service efficiency and quality. By continuously optimizing our project portfolio and focusing on high-quality projects in core Yangtze River Delta cities, we will advance our "One body, Two wings and Two products (一體兩翼兩產品)" strategy, concentrating on community services and urban services while expanding diversified business lines.

QUALITY ENHANCEMENT AND SERVICE EXCELLENCE

With a customer-centric approach, the Group remains committed to prioritizing high-quality service and continuously elevating service standards. By focusing on customer needs and based on a standardized service system, we will expand the scope of our services to provide more diverse and considerate offerings. By fostering differentiated competitiveness in our core businesses, we aim to create greater value for property owners and partners.

TECHNOLOGY EMPOWERMENT FOR SMART PROPERTY MANAGEMENT

Deepening technology empowerment is regarded as a core pillar of our strategy to enhance service quality. Synergy of online and offline resources will be strengthened with the continued integration of "Internet+" and "Property+" concepts. The Group will further refine our smart property management system, and continue to expand new services after functionalities such as online maintenance requests, payments, and complaint handling have been realized, so as to enhance efficiency through technological innovation.

Superior service has been recognized as the cornerstone of our development under the Group's persistent customer-centric strategy. Looking ahead, we will stay true to our mission by leveraging innovation as a driver of growth. Despite ongoing market challenges, we firmly believe that through continuous innovation and pragmatic management, we will write a new chapter of growth in the industry's transformation wave.

Yu Yun

Chairman of the Board

Hangzhou, 28 August 2025

Management Discussion and Analysis

BUSINESS OVERVIEW

The Group is a reputable integrated property management service provider in Zhejiang province. Established in Hangzhou in 1995, the Group has three decades of experience in the property management service industry in the People's Republic of China (the "PRC"). The Company was successfully listed on the Main Board of the Stock Exchange on 18 January 2021 (the "Listing"). The Group is principally engaged in the provision of property management services, value-added services to non-property owners, community value-added services and other businesses. The Group's business covers a wide range of properties, including residential properties and non-residential properties, such as commercial office buildings, city complexes and industrial parks.

According to EH Consulting, the Group ranked 39th among the "2025 Top 100 Property Service Companies in Terms of Comprehensive Strength in China" (2025中國物業企業綜合實力百強), achieving a steady improvement compared to previous years.

As at 30 June 2025, the Group had 22 subsidiaries and 27 branches covering 20 cities in the PRC, the majority of which are located in Zhejiang province, providing property management services to 47 properties, including 36 residential properties and 11 non-residential properties, with a total GFA under management of approximately 8.5 million sq.m. and a total contracted GFA of 9.6 million sq.m..

The table below sets forth the changes in the GFA under management and number of projects under management of the Group as at 30 June 2025 and 2024:

	As at 30 June 2025	2024
GFA under management ('000 sq.m.)	8,505	9,006
Number of projects under management	47	49

The table below sets forth the GFA under management by region as at 30 June 2025 and 2024:

	As at 30 June					
	2025		Number	2024		Number
	GFA (('000 sq.m.)	%		GFA (('000 sq.m.)	%	
Hangzhou	4,796	56.4	25	4,906	54.5	26
Zhejiang Province (excluding Hangzhou)	1,403	16.5	10	1,794	19.9	11
Yangtze River Delta region (excluding Zhejiang Province)	2,166	25.5	10	2,166	24.0	10
Other regions	140	1.6	2	140	1.6	2
Total	8,505	100.0	47	9,006	100.0	49

The Group's revenue was mainly generated from four business lines: (i) property management services; (ii) value-added services to non-property owners; (iii) community value-added services; and (iv) other businesses.

During the Period, the Group's revenue was RMB116.5 million, representing a slight decrease of 1.0% as compared with RMB117.6 million in the corresponding period in 2024. Among which, revenue from property management services was RMB93.9 million, revenue from value-added services to non-property owners was RMB4.5 million, revenue from community value-added services was RMB8.8 million and revenue from other businesses was RMB9.3 million.

PROPERTY MANAGEMENT SERVICES

Property management services of the Group primarily consist of security, cleaning, gardening, repair and maintenance of common areas and common facilities and ancillary services to residential properties and non-residential properties. As at 30 June 2025, the number of the projects under management reached 47 properties, including 6 properties from independent third-party property developers. The Group utilised the strength in property management of residential properties to increase the brand value. During the Period, the Group's revenue and gross profit from property management services accounted for 80.6% of total revenue and 71.7% of total gross profit, respectively.

The table below sets forth the breakdown of the Group's total revenue from property management services and GFA under management by type of properties for the periods or as at the dates indicated:

	As at/for the six months ended 30 June							
	2025				2024			
	Revenue (RMB'000)	%	GFA under management ('000 sq.m.)	%	Revenue (RMB'000)	%	GFA under management ('000 sq.m.)	%
Residential properties	68,323	72.8	7,236	85.1	68,152	74.0	6,812	75.6
Non-residential properties	25,525	27.2	1,269	14.9	24,000	26.0	2,194	24.4
Total	93,848	100.0	8,505	100.0	92,152	100.0	9,006	100.0

The table below sets forth the breakdown of the Group's total revenue from property management services and GFA under management by type of property developers for the periods or as at the dates indicated:

	As at/for the six months ended 30 June							
	2025				2024			
	Revenue (RMB'000)	%	GFA under management ('000 sq.m.)	%	Revenue (RMB'000)	%	GFA under management ('000 sq.m.)	%
Properties solely developed by Sundry Land Group ^{note}	49,422	52.7	4,048	47.6	47,315	51.3	4,030	44.7
Properties co-developed by Sundry Land Group	29,410	31.3	2,765	32.5	26,944	29.3	2,747	30.5
Properties developed by independent third-party property developers	15,016	16.0	1,692	19.9	17,893	19.4	2,229	24.8
Total	93,848	100	8,505	100	92,152	100	9,006	100

Note: Sundry Land Group means Sundry Land Investment Co., Ltd.* (宋都基業投資股份有限公司) and its subsidiaries.

Management Discussion and Analysis

VALUE-ADDED SERVICES TO NON-PROPERTY OWNERS

Value-added services to non-property owners encompasses processes such as property development, construction or design, which were mainly provided to non-property owners such as real estate developers. During the Period, the revenue from value-added services to non-property owners of the Group was RMB4.5 million, accounting for 3.9% of the total revenue for the Period, representing a decrease of 32.9% as compared with RMB6.8 million in the corresponding period in 2024.

The Group relied on the long-term cooperation with Sundry Land Group to acquire projects for value-added services to non-property owners. As at 30 June 2025, the Group's pipeline projects involved 8 properties, representing a GFA of 11.4 million sq.m..

COMMUNITY VALUE-ADDED SERVICES

The Group actively developed community value-added services and created diversified life service scenarios based on the living needs of residents.

During the Period, the revenue from community value-added services of the Group reached RMB8.8 million, which was mainly from property repair and maintenance, waste cleaning, utility fee collection, community space services and retailing businesses.

OTHER BUSINESSES

The Group continued to operate Atour Hotel Hangzhou West Lake Hefang Street* (杭州西湖河坊街亞朵酒店) through its operating subsidiary, Hangzhou Sundry Jiahe Hotel Management Co., Ltd.* (杭州宋都嘉和酒店管理有限公司). Revenue during the Period reached RMB9.3 million, which was primarily generated from hotel room charges, food services and sales of food and beverages and leasing of commercial shopping arcades.

PROSPECTS

In 2025, the property management industry continued to navigate a challenging landscape, undergoing transformation and development amid complex market conditions. The industry accelerated its shift toward high-quality development, with the traditional model of scale expansion gradually fading. In this challenging environment, the Group demonstrated resilience through strategic focus and continuous innovation, achieving breakthroughs despite adversity.

In the second half of 2025, the Group will focus on the following priorities:

- Deepening refined management: We will strive to strengthen our operational foundations through the optimization of cost structure and efficient integration of resources, so as to enhance service efficiency and quality. Strategic priorities will be placed on high-quality projects in core Yangtze River Delta cities to reinforce the dual-driver model of community and urban services, while exploring diversified business development.
- Prioritizing quality: With customer satisfaction always being the ultimate goal, we are committed to continuous service quality improvement. By addressing customer needs and refining standardized systems, we will actively expand service offerings to provide diversified, more humanized options.
- Empowering through technology: Recognizing technological innovation as key to service enhancement, we will actively implement the "Internet+" and "Property+" integration strategy. By accelerating the iteration of our smart property platform and continuously developing intelligent products, we aim to achieve a comprehensive upgrade of service models through technology.

FINANCIAL REVIEW

Revenue

During the Period, the Group's revenue amounted to RMB116.5 million, representing a slight decrease of 1.0% as compared with RMB117.6 million in the same period of 2024.

The table below sets forth a breakdown of revenue by business line for the periods indicated:

	For the six months ended 30 June			
	2025		2024	
	(RMB'000)	%	(RMB'000)	%
Property management services	93,848	80.6	92,152	78.4
Value-added services to non-property owners	4,544	3.9	6,771	5.8
Community value-added services	8,822	7.6	8,589	7.3
Other businesses	9,246	7.9	10,090	8.5
Total	116,460	100	117,602	100

Property management services: Property management services primarily consist of security, cleaning, gardening, repair and maintenance of common areas and common facilities and ancillary services. The portfolio of the Group's properties under management comprises residential properties and non-residential properties. During the Period, the Group realised revenue of RMB93.9 million, representing an increase of 1.8% as compared to RMB92.2 million in the same period of 2024, accounting for 80.6% of the total revenue during the Period, which is the main source of revenue for the Group. The increase in revenue was mainly due to increased property management fees for some projects, and our focus on the operation of high-priced premium projects.

Value-added services to non-property owners: Value-added services to non-property owners are a range of value-added services that the Group provides to non-property owners, primarily property developers. These services mainly include (i) consulting services, including advising property developers and property owners at the early and construction stages on project planning, design management and construction management; (ii) sales assistance services, which assist property developers in showcasing and marketing their properties, including display unit management and visitor reception for property development projects; and (iii) pre-delivery services, including unit cleaning before delivery, inspection services and security services for completed properties. During the Period, the Group realised revenue of RMB4.5 million, representing a decrease of 32.9% as compared to RMB6.8 million in the same period of 2024, accounting for 3.9% of the total revenue during the Period. The decrease was mainly due to the adjustment of the Group's business strategies to ease the negative impact from Chinese property developers.

Community value-added services: Community value-added services are a spectrum of community value-added services the Group provides to customers, primarily property owners and residents, including property repair and maintenance, waste cleaning, utility fee collection and community space services. During the Period, the Group realised revenue of RMB8.8 million, representing an increase of 2.7% as compared to RMB8.6 million in the same period of 2024, accounting for 7.6% of the total revenue during the Period. The increase in revenue from community value-added services was mainly due to our subsidiaries' approach to operations, which focused on products and brand, and enhanced our service quality and our competitiveness in the market.

Other businesses: Other businesses mainly include the hotel business. During the Period, the Group realised revenue of RMB9.3 million, representing a decline of 8.4% as compared to RMB10.1 million in the same period of 2024, accounting for 7.9% of the total revenue during the Period. The decline in revenue from our other businesses was mainly due to a reduction in consumption in the hotel industry as a whole, intensive competition from peers, necessitating adaptation.

Management Discussion and Analysis

COST OF SALES

During the Period, the Group's cost of sales was RMB85.6 million, representing a decline of 10.6% as compared to RMB95.7 million in the same period of 2024. The decrease was mainly due to the Group's organizational changes, which was aimed at improved cost efficiency, higher service quality, efficient tech-driven projects, accelerated application and iteration and reinvented projects, in an effort to facilitate the Group's breakthrough of bottlenecks, and to build "small and beautiful" evergreen projects.

GROSS PROFIT AND GROSS PROFIT MARGIN

Based on the above factors, during the Period, the Group realised a gross profit of RMB30.8 million, representing an increase of 40.9% as compared to RMB21.9 million in the same period of 2024. During the Period, the Group's gross profit margin increased by 7.9 percentage points from the same period of 2024 to 26.5%.

The table below sets forth a breakdown of gross profit and gross profit margin by business line for the periods indicated:

	For six months ended 30 June			
	2025		2024	
	Gross profit (RMB'000)	Gross profit margin %	Gross profit (RMB'000)	Gross profit margin %
Property management services	22,124	23.6	17,444	18.9
Value-added services to non-property owners	2,313	50.9	888	13.1
Community value-added services	4,375	49.6	523	6.1
Other businesses	2,025	21.9	3,024	30.0
Total	30,837	26.5	21,879	18.6

Gross profit of property management services was RMB22.1 million, representing an increase of 26.8% as compared to RMB17.4 million in the same period of 2024. During the Period, the gross profit margin amounted to 23.6%, representing an increase of 4.7 percentage points as compared to 18.9% in the same period of 2024. The growth was mainly due to the Group shifting away from loss-making projects, retaining premium projects, organizational changes, reduced costs and improved efficiency, which resulted in higher profit.

Gross profit of value-added services to non-property owners was RMB2.3 million, representing an increase of 160.5% as compared to RMB0.9 million in the same period of 2024. During the Period, the gross profit margin amounted to 50.9%, representing an increase of 37.8 percentage points as compared to 13.1% in the same period of 2024. The growth was mainly due to the optimised balance of businesses of the Group and reduced costs.

Gross profit of community value-added services was RMB4.4 million, representing an increase of 736.5% as compared to RMB0.5 million in the same period of 2024. During the Period, the gross profit margin amounted to 49.6%, representing an increase of 43.5 percentage points as compared to 6.1% in the same period of 2024. The increase was mainly due to the diversification of value-added businesses and the expansion of our high gross margin businesses.

Gross profit of other businesses was RMB2.0 million, representing a decrease of 33.0% as compared to RMB3.0 million in the same period of 2024. During the Period, the gross profit margin amounted to 21.9%, representing a decrease of 8.1 percentage points as compared to 30.0% in the same period of 2024. The decrease was mainly due to the impact from a reduction in consumption in the hotel industry.

OTHER INCOME AND GAINS

During the Period, other income of the Group was RMB2.5 million, representing an increase of 41.0% as compared to RMB1.7 million in the same period of 2024. Such increase was mainly due to the increase of exchange gain.

SELLING AND MARKETING EXPENSES

During the Period, selling and marketing expenses of the Group amounted to RMB0.5 million, which remained stable from RMB0.5 million in the same period of 2024.

ADMINISTRATIVE EXPENSES

During the Period, administrative expenses of the Group amounted to RMB10.3 million, representing a decrease of 22.1% as compared to RMB13.2 million in the same period of 2024.

INTEREST INCOME

During the Period, the Group's interest income was RMB0.9 million, representing a slight decrease as compared to RMB1.2 million in the same period of 2024.

SHARE OF PROFITS AND LOSSES OF AN ASSOCIATE AND JOINT VENTURES

During the Period, the Group recorded a share of loss of its associate, namely Ningbo Hesheng City Service Development Co., Ltd.* (寧波和晟城市服務發展有限公司), of a total of approximately RMB0.2 million, representing an increase of 183.3% as compared with the same period in 2024.

During the Period, no profit or loss was recorded for the joint ventures of the Group, namely Hangzhou Honghe Environmental Engineering Co., Ltd.* (杭州宏合環境工程有限公司) and Ningbo Songjie Enterprise Management Partnership (Limited Partnership)* (寧波宋捷企業管理合夥企業(有限合夥)).

PROFIT BEFORE TAX

During the Period, the Group's profit before tax was RMB11.9 million, representing a growth of 136.6% from RMB5.0 million in the same period of 2024. The growth was mainly due to reduced cost of sales, our shift away from potentially loss-making projects and retention of premium projects, and streamlined organizational structure.

INCOME TAX

During the Period, the Group's income tax expenses increased by 718.9% from RMB0.7 million in the same period of 2024 to RMB5.6 million. This was mainly due to the increase in the Group's profit before tax, which resulted in a corresponding increase in income tax expenses.

Management Discussion and Analysis

PROFIT FOR THE PERIOD

During the Period, the Group's profit for the period was RMB6.3 million, representing a growth of 45.0% from RMB4.3 million in the same period of 2024.

During the Period, profit attributable to owners of the Company was RMB10.6 million, representing a growth of 98.8% from RMB5.3 million in the same period of 2024. During the Period, the Company's profit after tax increased from that of the same period in the previous year.

CURRENT ASSETS, FINANCIAL RESOURCES AND CURRENT RATIO

As at 30 June 2025, the Group's current assets amounted to RMB529.0 million, representing an increase of 3.3% as compared with RMB511.9 million as at 31 December 2024.

As at 30 June 2025, the Group's cash and cash equivalents amounted to RMB135.7 million, representing a decrease of 22.4% as compared with RMB175.0 million as at 31 December 2024, this was mainly due to the purchase of financial products. Please refer to the paragraph headed "SIGNIFICANT INVESTMENTS" in this report for details of the purchase of such financial products.

The current ratio (calculated by dividing current assets by current liabilities) of the Group increased from 3.27 times as at 31 December 2024 to 3.39 times as at 30 June 2025.

BANK LOANS AND OTHER BORROWINGS

During the Period, the Group did not have any bank loans or other borrowings.

PROPERTY, PLANT AND EQUIPMENT

As at 30 June 2025, the property, plant and equipment of the Group amounted to RMB13.8 million, representing a decrease of 24.4% as compared with RMB18.2 million as at 31 December 2024, This was mainly due to an increase in accumulated depreciation.

CAPITAL STRUCTURE

There has been no change in capital structure of the Company during the Period. The capital of the Company comprises ordinary shares and other reserves.

As at 30 June 2025 and as at the date of this report, there are a total of 3,840,000,000 issued shares of the Company at US\$0.00001 per share.

TRADE AND OTHER RECEIVABLES

As at 30 June 2025, trade and other receivables of the Group amounted to RMB174.8 million, representing an increase of 2.7% as compared with RMB170.3 million as at 31 December 2024, This was mainly due to the delayed settlement of trade receivables during the Period.

The table below sets forth the ageing analysis of trade receivables as at the date indicated and the subsequent settlement of the trade receivables for the Period.

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)	Subsequent settlement RMB'000
Related parties			
0 to 180 days	9,935	19,736	–
181 to 365 days	12,637	22,329	52
1 to 2 years	21,316	16,189	–
Third parties			
0 to 180 days	81,847	48,827	4,085
181 to 365 days	14,533	31,693	1,843
1 to 2 years	19,089	3,777	406
	159,357	142,551	6,386

In order to recover the long aged trade receivables, the Group has taken actions as below:

For related parties (mainly members of Sundy Land Group), the Group regularly follows up with relevant parties on the payment status and sends out reminders on a quarterly or semi-annual basis for accounts receivables with longer ageing periods. Considering the long-term cooperations with Sundy Land Group and the fact that the Group has substantially benefited from such relationship to acquire various projects, as at the date of this report, the Group has no current plans to take legal actions regarding such accounts receivables. Meanwhile, the Group will continue to closely monitor the payment status and the recoverability of such accounts receivables, and when necessary, for instance, if payment has not been settled according to the agreed schedule by the relevant parties, the Group will consider and commence legal proceedings against the relevant related parties to recover the said accounts receivables. The Group also actively negotiated with the related parties to deal with the receivables including but not limited to other payables covering the trade receivables and taking assets to cover the unpaid receivables.

For third parties, based on the historical payment record of the customer(s) involved and the actual agreed payment date of the corresponding accounts receivables, the Group has issued or will issue reminders to the customer setting out the deadline to settle the outstanding sum. If such customer does not settle the outstanding sum on or before the deadline, a formal demand letter will be issued. For those accounts receivables which are not recovered after the said actions, the Group will commence legal proceedings accordingly. Given the business nature of the Group, some independent third parties are property owners, and in line with industry practice, the Group also conducts regular activities to encourage such property owners to settle management fees in a timely manner, as well as report to the management the collection status of outstanding management fees on a daily basis.

Management Discussion and Analysis

IMPAIRMENT LOSS ON TRADE AND OTHER RECEIVABLES

During the Period, the impairment loss on trade and other receivables of the Group amounted to RMB11.0 million, representing a growth of 75.0% as compared with RMB6.3 million in the same period of 2024.

TRADE AND OTHER PAYABLES

As at 30 June 2025, trade and other payables of the Group amounted to RMB114.7 million, representing a decrease of 6.7% as compared with RMB123.0 million as at 31 December 2024. This was mainly due to the decrease in property management costs.

CONTINGENT LIABILITIES

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

TREASURY POLICY

To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

PLEDGED ASSETS

The Group did not have any pledged assets as at 30 June 2025 (31 December 2024: Nil).

HUMAN RESOURCES AND REMUNERATION POLICIES

As at 30 June 2025, the Group employed a total of 408 employees (30 June 2024: 496 employees). The staff costs of the Group for the Period were RMB29.0 million (for the six months ended 30 June 2024: RMB27.0 million).

In determining remuneration and discretionary bonuses of Directors and senior management of the Company, the Board will consider the level of skill, knowledge, involvement in the Group's affairs and performance of each Director, together with reference to the profitability of the Company, remuneration benchmarks in the industry, and prevailing market conditions.

The Group ensures that their employees are offered competitive remuneration packages. The Group had also adopted a share option scheme, details of which have been disclosed in the paragraph headed "Statutory and General Information – D. Other information – 1. Share Option Scheme" in Appendix IV of the prospectus of the Company dated 31 December 2020 (the "**Prospectus**").

The Company will also organize regular professional training sessions for employees. The contents of trainings include customer service skills training and technical training to improve the service quality from the frontline to the back office.

SIGNIFICANT INVESTMENTS

As at 30 June 2025, details of the Wealth management and structured products purchased by the Group as strategic investments are set out below.

- (a) As disclosed in the announcement of the Company dated 27 February 2025, Hangzhou Xingrun Enterprise Management Co., Ltd. ("**Hangzhou Xingrun**"), a subsidiary of the Company, entered into a structured deposit product agreement with China Minsheng Bank Co., Ltd. ("**China Minsheng Bank**"), pursuant to which, Hangzhou Xingrun agreed to subscribe for structured deposit product of RMB50 million from China Minsheng Bank by using the internal funds of the Group.

China Minsheng Bank is a commercial bank in the PRC, headquartered in Beijing. Its shares are listed on the Shanghai Stock Exchange (stock code: 600016). China Minsheng Bank is principally engaged in providing customers with various wholesale and retail banking products and services, and conducting capital businesses for itself and on behalf of customers.

The investment cost of the structured deposit product of China Minsheng Bank was RMB50 million. As disclosed in the announcement of the Company dated 29 May 2025, Hangzhou Xingrun redeemed the structured deposit product of China Minsheng Bank on 29 May 2025 and the total gain on investment in the structured deposit product of China Minsheng Bank was approximately RMB185,720.55 with an average annualized rate of return of approximately 1.51%.

- (b) As disclosed in the announcement of the Company dated 5 June 2025, Hangzhou Xingrun, a subsidiary of the Company, entered into a structured deposit product agreement with China Minsheng Bank, pursuant to which, Hangzhou Xingrun agreed to subscribe for structured deposit product of RMB50 million from China Minsheng Bank by using the internal funds of the Group.

The investment cost of the structured deposit product of China Minsheng Bank was RMB50 million. Hangzhou Xingrun redeemed the structured deposit product of China Minsheng Bank on 5 September 2025 and the total gain on investment in the structured deposit product of China Minsheng Bank was approximately RMB235,602.74 with an average annualized rate of return of approximately 1.86%.

The Company considers that the above structured deposit products generate a better return than letting its idle funds earn a fixed-term deposit interest with commercial banks in the PRC.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the Period, the Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures.

FOREIGN EXCHANGE RISK EXPOSURE

The Group mainly operates its business in the PRC, and most of its business are conducted in RMB, and its exposure to foreign exchange risks is limited. However, as the proceeds from the Listing are dominated in Hong Kong dollars, the depreciation or appreciation of the Hong Kong dollar and interest rate adjustments will affect the performance of the Group. Therefore, the Group will closely monitor the exchange rate risks and interest rate risks involved, actively discuss foreign exchange hedging solutions with major banks, and use financial instruments to counter the risks involved when necessary.

USE OF PROCEEDS FROM THE LISTING AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The net proceeds from the Listing received by the Company, after deducting the underwriting commission, fees and estimated expenses payable by the Company in connection with the Listing, amounted to approximately HK\$133.2 million (based on the final offer price of HK\$0.25 per share). The net proceeds from the Listing are intended to be applied in accordance with the section headed “Future Plans and Use of Proceeds” in the Prospectus and with details of the actual use of such proceeds as set out as follows:

- approximately 48% to acquire, invest in, or form strategic alliance with one or more than one financially sound property management company with business focus on provision of property management services to residential and/or non-residential properties within the Yangtze River Delta region, particularly Hangzhou and other cities where the Group considers to be appropriate based on the market needs. As at the date of this report, approximately 15.3% of the amount has been utilised, mainly for investment in a joint venture and an associate and it is expected to be fully utilised by 31 December 2025;
- approximately 12% to invest in and expand the services related to the Future Community Pilot Plan as defined in the Prospectus, which primarily involves the provision of property management services and various types of community value-added services. As at the date of this report, all of the amount has been used for investing in digital upgrades among the certain future communities;
- approximately 15% to create a smart community through utilisation of advanced technology, such as the use of electronic patrolling systems and smart accesses, introduction of intelligent products and services and utilisation of digital equipment; and develop a mobile application for property owners and residents. As at the date of this report, all of the amount has been utilised to develop and upgrade the online-offline mobile application;
- approximately 15% to explore, diversify and expand its community value-added services, including move-in and move-out services, household services, home cleaning and laundering services, childcare, babysitting and elderly care services for property owners and residents; and expand other businesses, in particular long-term rental apartment business. As at the date of this report, approximately 55.2% of the amount has been utilised, mainly for investing in childcare, babysitting and elderly care services for residents and it is expected to be fully utilised by 31 December 2025; and
- approximately 10% to provide funding for its working capital and other general corporate purposes. As at the date of this report, all of the amount has been used for payment of related intermediary service fees after the Listing and other operating purposes.

EVENTS AFTER THE PERIOD

There were no material events after 30 June 2025 and up to the date of this report.

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the Period (six months ended 30 June 2024: Nil).

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Company has established the Audit Committee in compliance with the Listing Rules to fulfil the functions of reviewing and monitoring the financial reporting and internal controls of the Company. The Audit Committee currently consists of three independent non-executive Directors, namely, Ms. Ye Qian, Mr. Huang Enze and Mr. Zhu Haoxian. Ms. Ye Qian is the chairman of the Audit Committee.

The Audit Committee has reviewed with the management of the Company the unaudited interim financial statements and interim results as at 30 June 2025.

PUBLIC FLOAT

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

Corporate Governance and Other Information

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2025, none of the Directors or chief executives of the Company had interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be maintained pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

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

As at 30 June 2025, to the best knowledge of the Directors, the following persons (other than the Directors and chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO and recorded in the register of the Company required to be maintained pursuant to section 336 of the SFO:

Names	Notes	Capacity/Nature of interest	Number of shares	Long/short position	Approximately percentage of shareholding in the Company
Mr. Yu Jianwu (“Mr. Yu”)	(1)	Settlor of a trust	2,280,000,000	Long position	59.38%
CMB Wing Lung (Trustee) Limited (“CMB Wing Lung”)	(1)	Trustee	2,280,000,000	Long position	59.38%
Success Base Group Limited (“Success Base”)	(1)	Interest of a controlled corporation	2,280,000,000	Long position	59.38%
SUNDY HEYE LIMITED (宋都和業有限公司) (“Sundy Heye”)	(1)	Beneficial owner	2,280,000,000	Long position	59.38%
Wang Xiangyu* (王翔宇)	(2)	Interest of a controlled corporation	307,190,000	Long position	8.00%
Shanghai Mingjin International Trade Co., Ltd.* (上海明瑾國際貿易有限公司) (“Shanghai Mingjin International”)	(2)	Interest of a controlled corporation	307,190,000	Long position	8.00%
Shanghai Mingjin New Energy Development Co., Ltd.* (上海明瑾新能源開發有限公司) (“Shanghai Mingjin New Energy”)	(2)	Interest of a controlled corporation	307,190,000	Long position	8.00%
Fuyang Mingjin New Energy Development Co., Ltd.* (阜陽明瑾新能源開發有限公司) (“Fuyang Mingjin New Energy”)	(2)	Beneficial owner	307,190,000	Long position	8.00%

Names	Notes	Capacity/Nature of interest	Number of shares	Long/short position	Approximately percentage of shareholding in the Company
Lin Mingqing (林明清)	(3)	Interest of a controlled corporation	300,000,000	Long position	8.00%
Southeast Ming and Qing Supply Chain (Xiamen) Co., Ltd.* (東南明清供應鏈(廈門)有限公司) (“Southeast Xiamen”)	(3)	Interest of a controlled corporation	300,000,000	Long position	8.00%
Southeast Ming Qing Supply Chain (Fuyang) Co., Ltd.* (東南明清供應鏈(阜陽)有限公司) (“Southeast Fuyang”)	(3)	Beneficial owner	300,000,000	Long position	8.00%

Notes:

- (1) Sundy Heye is wholly owned by Success Base, which is indirectly wholly owned by CMB Wing Lung. CMB Wing Lung is the trustee of a discretionary trust established by Mr. Yu with CMB Wing Lung (i.e. The Yu Jianwu Trust), which holds the entire issued share capital in Sundy Heye through its nominee companies on trust for the benefit of Mr. Yu and his family members.
- (2) Fuyang Mingjin New Energy was wholly owned by Shanghai Mingjin New Energy, which was in turn wholly owned by Shanghai Mingjin International, and Shanghai Mingjin International was owned as to 90% by Wang Xiangyu. Accordingly, Shanghai Mingjin New Energy, Shanghai Mingjin International and Wang Xiangyu are deemed or taken to be interested in the Shares in which Fuyang Mingjin New Energy is interested pursuant to the SFO.
- (3) Southeast Fuyang was wholly owned by Southeast Xiamen, which was in turn owned as to 90% by Lin Mingqing. Accordingly, Southeast Xiamen and Lin Mingqing are deemed or taken to be interested in the Shares in which Southeast Fuyang is interested pursuant to the SFO.

Save as disclosed above, as at 30 June 2025, to the best knowledge of the Directors, no other person (other than the Directors and chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which were required to be disclosed pursuant to Divisions 2 and 3 of Part XV of the SFO or to be recorded in the register referred to in section 336 of the SFO.

SHARE OPTION SCHEME

On 21 December 2020, the Company conditionally approved and adopted the share option scheme (the “**Share Option Scheme**”). Summary of the principal terms of the Share Option Scheme are as set out below:

The Share Option Scheme is a share incentive scheme and was established to recognise and acknowledge the contributions the eligible participants of the Share Option Scheme (the “**Eligible Participants**”) had or may have made to the Group. The Share Option Scheme will provide Eligible Participants with an opportunity to have a personal stake in the Company with the view to achieving the following objectives: (i) motivate the Eligible Participants to optimise their performance efficiency for the benefit of the Group; (ii) attract and retain or otherwise maintain on-going business relationship with the Eligible Participants whose contributions are or will be beneficial to the long term growth of the Group; and (iii) for such purposes as the Board may approve from time to time.

The Eligible Participants include (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries; (ii) any directors (including executive, non-executive and independent non-executive directors) of the Company or any of its subsidiaries; and (iii) any advisers, consultants, suppliers, customers, agents and related entities to the Company or any of its subsidiaries.

Corporate Governance and Other Information

The amount payable by the grantee of an option to the Company under the Share Option Scheme (the “**Option**”) on acceptance of the offer for the grant of an Option is HK\$1.00. An Option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as determined by the Board and not exceeding 10 years from the date of the grant. There is no minimum period for which an Option must be held before it can be exercised.

The total number of Shares issued and which may fall to be issued upon exercise of the Options granted under the Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as of the date of grant.

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 the Listing, being 320,000,000 Shares. The Board may renew the said limit or grant beyond the 10% limit, subject to the issue of a circular by the Company and the approval of the Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time. Notwithstanding the foregoing, the Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company at any time shall not exceed 30% of the Shares in issue from time to time.

The subscription price of a Share in respect of any Option shall be a price as the Board in its absolute discretion shall determine, save as such price will not be less than the highest 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 the 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 Company by resolution in a general meeting or the Board may at any time terminate the operation of the Share Option Scheme and in such event no further Option will be offered but Options granted prior to such termination shall continue to be valid and exercisable in accordance with the provisions of the Share Option Scheme. The Share Option Scheme shall be valid and effective for a period of 10 years from the date of Listing, after which no further options will be granted or offered.

For further details of the Share Option Scheme, please refer to the paragraph headed “Statutory and General Information – D. Other information – 1. Share Option Scheme” in Appendix IV to the Prospectus.

There were no share options outstanding under the Share Option Scheme nor were any Options granted, agreed to be granted, exercised, cancelled or lapsed under the Share Option Scheme for the period from the date of Listing to the date of this report.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

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

The Directors are of the view that, during the Period and up to the date of this report, the Company has adopted and complied with all applicable code provisions under the Corporate Governance Code in Appendix C1 to the Listing Rules (the “**Corporate Governance Code**”). The Company will continue to review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set forth in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions of the Directors. The Company had made specific enquiry and each Director confirmed that they have complied with the Model Code during the Period and up to the date of this report.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the Period and up to the date of this report, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities.

CHANGE IN DIRECTORS’ INFORMATION

On 19 March 2025, the Company announced that (i) Ms. Miao Jianping resigned as the chief financial officer of the Company (the “**Chief Financial Officer**”); and (ii) Ms. Zhang Qisi resigned as the company secretary of the Company (the “**Company Secretary**”); (iii) Ms. Chen Xiaomin was appointed as the Chief Financial Officer; and (iv) Ms. Xu Xiaoli was appointed as the Company Secretary.

Save as disclosed above, the Directors confirmed that no other information is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules during the Period and up to the date of this report.

By order of the Board
Sundy Service Group Co. Ltd
Yu Yun
Chairman

Hong Kong, 28 August 2025

* The English name is for identification purpose only.

** Certain amounts and percentage figures included in this report have been subject to rounding adjustments, or have been rounded to one or two decimal places. Any discrepancies in any table, chart or elsewhere between totals and sums of amounts listed therein are due to rounding.

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

for the six months ended 30 June 2025

	Notes	Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue	4	116,460	117,602
Cost of sales and services rendered		(85,623)	(95,723)
Gross profit		30,837	21,879
Interest income		941	1,220
Other income and gains	6	2,455	1,741
Selling and marketing expenses		(532)	(487)
Administrative expenses		(10,301)	(13,219)
Impairment loss on trade and other receivables		(11,034)	(6,305)
Other expenses		(292)	(168)
Share of (loss)/profit of an associate		(154)	402
Finance costs	7	(42)	(42)
Profit before taxation		11,878	5,021
Income tax expense	8	(5,585)	(682)
Profit for the period	9	6,293	4,339
Other comprehensive (expense)/income:			
<i>Items that will not be reclassified to profit or loss:</i>			
Exchange differences on translation of financial statements of the Company		(1,331)	652
		(1,331)	652
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translation of financial statements of overseas subsidiaries		1,782	(442)
		1,782	(442)
Total comprehensive income for the period		6,744	4,549
Profit for the period attributable to:			
Owners of the Company		10,557	5,310
Non-controlling interests		(4,264)	(971)
		6,293	4,339
Total comprehensive income for the period attributable to:			
Owners of the Company		11,008	5,520
Non-controlling interests		(4,264)	(971)
		6,744	4,549
Earnings per share			
– Basic and diluted (RMB cents)	10	0.27	0.14

Unaudited Condensed Consolidated Statement of Financial Position

at 30 June 2025

	Notes	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Non-current assets			
Property, plant and equipment	12	13,759	18,210
Intangible assets		43	64
Investments in joint ventures		—	900
Investment in an associate		—	5,927
Deferred tax assets		13,067	12,629
		26,869	37,730
Current assets			
Inventories		192	188
Properties held for sale		149,141	145,461
Trade and other receivables	14	174,820	170,273
Financial assets at fair value through profit or loss	13	56,020	6,005
Restricted bank balances		13,073	14,902
Cash and cash equivalents		135,748	175,033
		528,994	511,862
Current liabilities			
Contract liabilities		35,979	25,940
Advances from lessees		95	95
Trade and other payables	15	114,718	123,013
Current taxation		5,159	7,376
		155,951	156,424
Net current assets		373,043	355,438
TOTAL ASSETS LESS CURRENT LIABILITIES		399,912	393,168
NET ASSETS		399,912	393,168
Capital and reserves			
Share capital	16	254	254
Reserves		394,798	383,790
Equity attributable to owners of the Company		395,052	384,044
Non-controlling interests		4,860	9,124
TOTAL EQUITY		399,912	393,168

The condensed consolidated financial statements on pages 22 to 46 were approved and authorised for issue by the Board of Directors on 28 August 2025 and are signed on its behalf by:

ZHU YIHUA
Director

ZHU CONGYUE
Director

Unaudited Condensed Consolidated Statement of Changes in Equity

for the six months ended 30 June 2025

	Attributable to owners of the Company						Non-controlling interests RMB'000	Total equity RMB'000
	Share capital RMB'000	Share premium* RMB'000	Capital reserves* RMB'000	PRC statutory reserves* RMB'000	Exchange reserves* RMB'000	Retained profits* RMB'000	Total RMB'000	
At 1 January 2024 (Audited)	254	209,966	(33,780)	23,354	1,521	183,001	384,316	392,549
Profit for the period	-	-	-	-	-	5,310	5,310	4,339
Other comprehensive income for the period	-	-	-	-	210	-	210	210
Total comprehensive income for the period	-	-	-	-	210	5,310	5,520	4,549
Dividend declared to non-controlling interests	-	-	-	-	-	-	-	(858)
Appropriation to statutory reserves	-	-	-	805	-	(805)	-	-
At 30 June 2024 (Unaudited)	254	209,966	(33,780)	24,159	1,731	187,506	389,836	396,240

	Attributable to owners of the Company						Non-controlling interests RMB'000	Total equity RMB'000
	Share capital RMB'000	Share premium* RMB'000	Capital reserves* RMB'000	PRC statutory reserves* RMB'000	Exchange reserves* RMB'000	Retained profits* RMB'000	Total RMB'000	
At 1 January 2025 (Audited)	254	209,966	(33,780)	25,199	(1,692)	184,097	384,044	393,168
Profit for the period	-	-	-	-	-	10,557	10,557	6,293
Other comprehensive income for the period	-	-	-	-	451	-	451	451
Total comprehensive income for the period	-	-	-	-	451	10,557	11,008	6,744
Appropriation to statutory reserves	-	-	-	2,175	-	(2,175)	-	-
At 30 June 2025 (Unaudited)	254	209,966	(33,780)	27,374	(1,241)	192,479	395,052	399,912

* These reserve accounts comprise the consolidated reserves in the consolidated statement of financial position.

Unaudited Condensed Consolidated Statement of Cash Flows

for the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Cash flows from operating activities		
Cash generated from/(used in) operations	10,651	(20,842)
Income tax paid	(8,240)	(4,209)
Net cash generated from/(used in) operating activities	2,411	(25,051)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(24)	(39,938)
Acquisition of financial assets at fair value through profit or loss	(56,000)	(20,000)
Proceeds from disposal of financial assets at fair value through profit or loss	6,036	70,217
Proceeds from disposal of joint venture	900	–
Proceeds from disposal of an associate	6,000	–
Interest received	941	1,220
Net cash (used in)/generated from investing activities	(42,147)	11,499
Net decrease in cash and cash equivalents	(39,736)	(13,552)
Cash and cash equivalents at the beginning of the period	175,033	154,178
Effect of foreign exchange rate changes	451	210
Cash and cash equivalents at the end of the period	135,748	140,836
Analysis of cash and cash equivalents		
Bank and cash balances	135,748	136,106
Bank and cash balances classified as held for sale	–	4,730
	135,748	140,836

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

for the six months ended 30 June 2025

1. BASIS OF PREPARATION

The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (the “IASB”) as well as the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The unaudited condensed interim consolidated financial statements are presented in Renminbi (“RMB”). RMB is the functional currency of the Company’s subsidiaries established in the Mainland China. The functional currency of the Company and the Company’s subsidiaries outside the Mainland China are Hong Kong dollars (“HKD”). The Group translates the unaudited condensed interim consolidated financial statements of the Company and the Company’s subsidiaries outside Mainland China from HKD into RMB.

2. PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed interim consolidated financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair values at the end of each reporting period. They are presented in RMB and all values are rounded to the nearest thousand except when otherwise indicated.

The unaudited condensed interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 December 2024. The accounting policies and methods of computation used in the unaudited condensed interim consolidated financial statements for the six months ended 30 June 2025 are the same as those followed in the preparation of the Group’s audited consolidated financial statements for the year ended 31 December 2024.

3. ADOPTION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

Adoption of amendments to IFRS Accounting Standards

In the current period, the Group has adopted the following amendments to IFRS Accounting Standards (“IFRSs”) (which include all International Financial Reporting Standards, International Accounting Standards (“IASs”) and Interpretations) issued by the IASB that are relevant to its operations and mandatory effective for its accounting year beginning on or after 1 January 2025 for the preparation of the Group’s unaudited condensed interim consolidated financial statements:

Amendments to IAS 21	Lack of Exchangeability
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The adoption of these amendments to IFRSs has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these unaudited condensed interim consolidated financial statements.

3. ADOPTION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS (continued)

New and amendments to IFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to IFRSs that have been issued but are not yet effective for the current accounting period:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity ¹
Annual Improvements to IFRSs 2024	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 ¹
IFRS 18 and consequential amendments to other IFRSs	Presentation and Disclosure in Financial Statements ²
IFRS 19 and subsequent amendments	Subsidiaries without Public Accountability: Disclosure ²
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual periods beginning on or after 1 January 2027

³ Effective for annual periods beginning on or after a date to be determined

IFRS 18 and consequential amendments to other IFRSs are effective for annual reporting periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the consolidated statement of profit or loss and disclosures in the future consolidated financial statements. The directors of the Company are in the process of assessing the detailed impact on the consolidated financial statements for the forthcoming years.

Except for the aforesaid, the directors of the Company anticipate that the application of all other new and amendments to IFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

for the six months ended 30 June 2025

4. REVENUE

The principal activities of the Group are the provision of property management services, value-added services to non-property owners and community value-added services, and hotel business.

Revenue represents income from property management services, value-added services to non-property owners and community value-added services, and income from hotel business.

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue from contracts with customers:		
Property management services	93,848	92,152
Value-added services to non-property owners	4,544	6,771
Community value-added services	8,822	8,589
Hotel business		
– Rooms operation services	8,250	8,504
– Sales of food and beverage	41	633
	115,505	116,649
Revenue from other sources:		
Hotel business		
– Leasing of commercial shopping arcades (Note (ii))	955	953
	955	953
Total revenue	116,460	117,602
Type of customers:		
External customers	104,722	100,341
Related parties	11,738	17,261
	116,460	117,602

Notes:

- (i) For the six months ended 30 June 2025, the revenue from Hangzhou Xingfu Jian Holdings Co., Ltd. ("Xingfu Jian Holdings") and its subsidiaries (collectively, "Xingfu Jian Holdings Group"), a related party of the Group, accounted for approximately 10% (2024: 10%) of the Group's revenue. The Group has a large number of customers in addition to Xingfu Jian Holdings Group, but none of them accounted for more than 10% or more of the Group's revenue during the period.
- (ii) Leasing of commercial shopping arcades represent lease income relating to variable lease payments, which are based on its revenue from hotel operation and rental income.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

for the six months ended 30 June 2025

4. REVENUE (continued)

Disaggregation of revenue from contracts with customers:

The major operating entities of the Group are domiciled in the PRC. Accordingly, all the Group's revenues were derived in the PRC for the six months ended 30 June 2025 and 2024.

For the six months ended 30 June 2025	Property management services RMB'000 (Unaudited)	Value-added services to non-property owners RMB'000 (Unaudited)	Community value-added services RMB'000 (Unaudited)	Hotel business – rooms operation services and sales of food and beverage RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Timing of revenue recognition					
At a point in time	–	–	–	41	41
Over time	93,848	4,544	8,822	8,250	115,464
	93,848	4,544	8,822	8,291	115,505

For the six months ended 30 June 2024	Property management services RMB'000 (Unaudited)	Value-added services to non-property owners RMB'000 (Unaudited)	Community value-added services RMB'000 (Unaudited)	Hotel business – rooms operation services and sales of food and beverage RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Timing of revenue recognition					
At a point in time	–	–	–	633	633
Over time	92,152	6,771	8,589	8,504	116,016
	92,152	6,771	8,589	9,137	116,649

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for the six months ended 30 June 2025

5. SEGMENT INFORMATION

(a) Segment reporting

The Group manages its businesses by divisions, which are organised by business lines, including property management services and the corresponding value-added services, and hotel business. In a manner consistent with the way in which information is reported internally to the Group's chief operating decision maker ("CODM") for the purposes of resource allocation and performance assessment, the Group has presented the following segments.

- Property management services and the corresponding value-added services: this segment includes revenue generated from property management services, value-added services to non-property owners and community value-added services, including consulting and pre-delivery service, and other services.
- Hotel business services: this segment includes revenue generated from hotel rooms operation services, leasing of commercial shopping arcades located within the hotel buildings, as well as provision of food and beverage and ancillary services in such premises.

(i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current assets managed directly by the segments. Segment liabilities include all contract liabilities, trade and other payables, lease liabilities and other liabilities attributable to the business operation and managed directly by the segments.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. The measure used for reporting segment profit is profit before taxation. In addition to receiving segment information concerning profit before taxation, management is provided with segment information concerning revenue (including inter-segment sales), interest income, interest expenses, depreciation and amortisation, impairment losses, share of (loss)/profit arising from the activities of investment in an associate, income tax expense, investments in joint ventures, investment in an associate and additions to non-current segment assets used by the segments in their operations. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

for the six months ended 30 June 2025

5. SEGMENT INFORMATION (continued)

(a) Segment reporting (continued)

(i) Segment results, assets and liabilities (continued)

Segment revenue and results

For the six months ended 30 June 2025

	Property management services and the corresponding value-added services RMB'000 (Unaudited)	Hotel business services RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Revenue from external customers	107,214	9,246	116,460
Inter-segment sales	—	—	—
Reportable segment revenue	107,214	9,246	116,460
Segment profit/(loss)	12,452	(574)	11,878

For the six months ended 30 June 2024

	Property management services and the corresponding value-added services RMB'000 (Unaudited)	Hotel business services RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Revenue from external customers	107,512	10,090	117,602
Inter-segment sales	—	—	—
Reportable segment revenue	107,512	10,090	117,602
Segment profit	2,941	2,080	5,021

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for the six months ended 30 June 2025

5. SEGMENT INFORMATION (continued)

(a) Segment reporting (continued)

(i) Segment results, assets and liabilities (continued)

Segment assets and liabilities

As at 30 June 2025

	Property management services and the corresponding value-added services RMB'000 (Unaudited)	Hotel business services RMB'000 (Unaudited)	Reconciling items RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Segment assets	539,988	15,875	–	555,863
Segment liabilities	151,672	4,279	–	155,951

As at 31 December 2024

	Property management services and the corresponding value-added services RMB'000 (Audited)	Hotel business services RMB'000 (Audited)	Reconciling items RMB'000 (Audited)	Total RMB'000 (Audited)
Segment assets	535,776	13,816	–	549,592
Segment liabilities	153,260	3,164	–	156,424

Information about non-current assets

As at 30 June 2025 and 31 December 2024, all of the non-current assets, excluding financial assets at fair value through profit or loss, prepayments and deferred tax assets, of the Group were located in the PRC.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

for the six months ended 30 June 2025

6. OTHER INCOME AND GAINS

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Government grants	110	–
Exchange gain	1,575	12
Loss on measurement of assets classified as held for sale to fair value less cost to sell (Note)	–	(4,553)
Fair value gain on financial assets at fair value through profit or loss	51	6,042
Gain on termination of right-of-use assets	–	10
Gain on disposal of investments in joint ventures	–*	–
Gain on disposal of investment in an associate	226	–
Others	493	230
	2,455	1,741

Note: The Group entered into an equity transfer agreement with Taizhou City Lu Qiao Lu Gang Real Estate Association Co. Ltd.* (台州市路橋旅港同鄉置業有限公司) ("Taizhou Lu Qiao Estate"), an independent third party to dispose of its 51% equity interest in a subsidiary, Sundry Lvgang (Taizhou) Property Management Service Co., Ltd.* (宋都旅港(台州)物業服務有限公司) ("Sundry Lvgang"), the disposal was not completed and the relevant assets and liabilities were classified as assets held for sale as at 30 June 2024.

Loss on measurement of assets classified as held for sale to fair value less cost to sell amounted to approximately RMB4,553,000 was recognised in profit or loss during the six months ended 30 June 2024 as it was measured at the lower of its carrying amount of net assets value of the subsidiary and fair value less cost to sell.

* Less than RMB1,000.

7. FINANCE COSTS

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Interest expense to a related party	42	42
	42	42

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for the six months ended 30 June 2025

8. INCOME TAX EXPENSE

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax – PRC Enterprise Income Tax (“EIT”)	6,024	2,199
Deferred tax	(439)	(1,517)
	5,585	682

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (the “BVI”), the Group is not subject to any income tax in the Cayman Islands and the BVI.

For the six months ended 30 June 2025 and 2024, Hong Kong Profits Tax is calculated under a two-tier profits tax system where the first HK\$2 million of estimated assessable profits is taxed at a reduced rate of 8.25% and the remaining of estimated assessable profits is taxed at 16.5%. No provision for Hong Kong Profits Tax has been made as the Group did not earn any income subject to the tax during the six months ended 30 June 2025 and 2024.

Under the Law of the People's Republic of China on EIT (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%. During the period, certain subsidiaries of the Group are entitled to a preferential income tax rate of 20% (At 30 June 2024: 20%) for small and micro enterprises with the first RMB1 million of annual taxable income eligible for 75% (At 30 June 2024: 75%) reduction and the income between RMB1 million and RMB3 million eligible for 75% (At 30 June 2024: 75%) reduction.

9. PROFIT FOR THE PERIOD

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

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	4,487	4,743
Amortisation of intangible assets	21	507
Staff costs	26,052	23,610
Retirement benefits scheme contributions	2,932	3,435
	28,984	27,045

10. EARNINGS PER SHARE

The calculation of the basic earnings per share for the period is based on the profit for the six months ended 30 June 2025 attributable to the owners of the Company of approximately RMB10,557,000 (2024: RMB5,310,000) and on the weighted average number of shares in issue during the period of approximately 3,840,000,000 (2024: 3,840,000,000).

for the six months ended 30 June 2025

10. EARNINGS PER SHARE (continued)

No diluted earnings per share is presented as the Company had no potential ordinary shares outstanding for the six months ended 30 June 2025 and 2024.

11. DIVIDENDS

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2025 (2024: Nil).

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired property, plant and equipment of approximately RMB24,000 (At 31 December 2024: RMB595,000).

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (“FINANCIAL ASSETS AT FVTPL”)

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Wealth management and structured products (Note)	56,020	6,005

Note: On 16 December 2024, Hangzhou Sundy Jiahe Hotel Management Co., Ltd. (“**Sundy Jiahe**”) entered into an agency sales agreement for institutional wealth management product with Bank of Hangzhou Co., Ltd* (杭州銀行股份有限公司), pursuant to which Sundy Jiahe agreed to subscribe for the Bank of Hangzhou Wealth Management Happiness 99 tianyi 7-day Wealth Management Product (杭銀理財幸福99添益(安享優選)7天持有期理財) offered by Hangying Wealth Management Co., Ltd* (杭銀理財有限責任公司) (the “**Hangying Wealth Management Product**”) in an aggregate amount of RMB6,000,000 using internal resources. The Hangying Wealth Management Product has non-fixed term, the expected annualised rate of return is 1.9% to 2.3% (non-guaranteed). All the Hangying Wealth Management Product was redeemed of RMB6,036,000 during the six months ended 30 June 2025.

On 27 February 2025, Hangzhou Xingrun Enterprise Management Co., Ltd. (“**Hangzhou Xingrun**”), a subsidiary of the Company, entered into a structured deposit product agreement with China Minsheng Bank Co., Ltd. (“**China Minsheng Bank**”), pursuant to which, Hangzhou Xingrun agreed to subscribe for Gathering-win Exchange Rate – Aggregated structured deposits linked to the euro/dollar exchange rate range (聚贏匯率－掛鈎歐元對美元匯率區間累計結構性存款) (“**China Minsheng Structured Product I**”) offered by China Minsheng Bank in an aggregate amount of RMB50 million using the internal funds of the Group. The China Minsheng Structured Product I had fixed term of 90 days and principal-guaranteed with floating interest rate. The expected maturity interest rate was 1.2153% to 2.1% per annum. Hangzhou Xingrun redeemed the China Minsheng Structured Product I on 29 May 2025 and the total gain on investment was approximately RMB186,000 with an average annualised rate of return of approximately 1.51%.

On 25 April 2025, Sundy Jiahe entered into an agency sales agreement for institutional wealth management product with Bank of Hangzhou Co., Ltd* (杭州銀行股份有限公司), pursuant to which Sundy Jiahe agreed to subscribe for the Hangying Wealth Management Product in an aggregate amount of RMB6,000,000 using internal resources. The Hangying Wealth Management Product has non-fixed term, the expected annualised rate of return is 1.9% to 2.3% (non-guaranteed).

On 5 June 2025, Hangzhou Xingrun entered into a structured deposit product agreement with China Minsheng Bank, pursuant to which, Hangzhou Xingrun agreed to subscribe for Gathering-win Exchange Rate – Bullish binary structured deposits linked to the euro/dollar exchange rate range (聚贏匯率－掛鈎歐元對美元匯率看漲二元結構性存款) (“**China Minsheng Structured Product II**”) offered by China Minsheng Bank in an aggregate amount of RMB50 million using the internal funds of the Group. The China Minsheng Structured Product II has fixed term of 91 days and principal-guaranteed with floating interest rate. The expected maturity interest rate is 1.0% to 1.89% per annum.

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14. TRADE AND OTHER RECEIVABLES

	Notes	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Trade receivables			
– Related parties	(a)	76,636	71,114
– Third parties	(a)	146,481	124,163
Less: loss allowance	(a)	(63,760)	(52,726)
		159,357	142,551
Other debtors			
– Related parties		528	5,538
– Third parties	(b)	14,464	16,204
		14,992	21,742
Deposits and prepayments			
– Others	(c)	471	5,980
		174,820	170,273

Notes:

- (a) Trade receivables are primarily related to revenue recognised from the provision of property management services, value-added services to non-property owners, community value-added services and hotel business.

At 1 January 2024, trade receivables from contract with customers amounted to approximately RMB202,276,000 (net of loss allowance of approximately RMB32,996,000).

The ageing analysis of trade receivables based on the date of revenue recognition and net of loss allowance is as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Related parties		
0 to 180 days	9,935	19,736
181 to 365 days	12,637	22,329
1 to 2 years	21,316	16,189
Third parties		
0 to 180 days	81,847	48,827
181 to 365 days	14,533	31,693
1 to 2 years	19,089	3,777
	159,357	142,551

Trade receivables are due when the receivables are recognised.

- (b) Other debtors mainly include (i) deposit for properties management paid to property owners' associations amounted to approximately RMB3,430,000 (2024: RMB4,350,000); (ii) value-added tax recoverable amounted to approximately RMB7,218,000 (2024: RMB7,252,000); (iii) consideration receivables for disposal of subsidiary amounted to approximately RMB365,000 (2024: RMB2,764,000); and (iv) other deposits for utilities service amounted to approximately RMB228,000 (2024: RMB506,100).

The Group performs impairment assessment under expected credit loss on other receivables and deposits, which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition. The ECL are assessed individually for debtors by reference to credit rating of the debtors and forward-looking information that is available without undue cost or effort. The management assessed and considered ECL provision for other receivables is insignificant and no loss allowance is recognised.

- (c) Deposits and prepayments mainly include (i) prepayments for maintenance services amounted to approximately RMB249,000 (2024: RMB5,248,000); and (ii) other deposits amounted to approximately RMB180,000 (2024: RMB225,000).

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15. TRADE AND OTHER PAYABLES

	Notes	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Trade payables			
– Related parties	(a)	3,187	1,897
– Third parties	(b)	47,396	50,319
		50,583	52,216
Other payables			
– Related party	(c)	2,172	2,276
– Deposits	(d)	5,884	5,714
– Other taxes and surcharges payable		–	19
– Cash collected on behalf of the property owners' associations		11,009	14,305
– Temporary receipts from property owners	(e)	23,196	23,964
– Others	(f)	7,179	8,811
		49,440	55,089
Accrued payroll and other benefits		14,695	15,708
		114,718	123,013

Notes:

- (a) The credit period granted by related parties (trade nature) to the Group ranges from 30 days to 90 days. The amounts due to related parties are unsecured and interest-free. Details of the amounts due to related parties are set out in Note 20(d).
- (b) Trade payables mainly represent payables arising from sub-contracting services including cleaning, security, landscaping and maintenance services provided by suppliers. The credit period granted by third party suppliers to the Group ranges from 30 to 90 days during the six months ended 30 June 2025 and year ended 31 December 2024.
- (c) The amount due to related party includes a loan of approximately RMB2,000,000 (2024: RMB2,000,000) which is unsecured, interest-bearing at 4.2% (2024: 4.2%) and repayable on or before 30 September 2025 (2024: repayable on or before 30 September 2025). The remaining balance is unsecured, interest-free and repayable on demand. Details of amount due to related party are set out in Note 20(d).
- (d) Deposits mainly represent miscellaneous decoration deposits received from property owners for the decoration period.
- (e) Temporary receipts represent utility charges received from property owners on behalf of utility companies.
- (f) The amounts mainly include (i) accruals for operating expenses of approximately RMB2,346,000 (2024: RMB4,216,000); and (ii) advance from properties owners of approximately RMB1,585,000 (2024: RMB1,585,000), which is unsecured, interest-free and repayable on demand.

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for the six months ended 30 June 2025

15. TRADE AND OTHER PAYABLES (continued)

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)
Related parties		
Within 1 year	1,348	1,897
After 1 year but within 2 years	1,839	–
Third parties		
Within 1 year	24,891	28,899
After 1 year but within 2 years	3,705	3,060
After 2 years but within 3 years	2,052	9,361
Over 3 years	16,748	8,999
	50,583	52,216

16. SHARE CAPITAL

	Number of shares	Amount equivalent to RMB'000
Authorised:		
Shares of the Company with nominal value of USD0.00001 each		
At 1 January 2024 (audited), 31 December 2024 (audited) and 30 June 2025 (unaudited)	5,000,000,000	350
Issued and fully paid:		
At 1 January 2024 (audited), 31 December 2024 (audited) and 30 June 2025 (unaudited)	3,840,000,000	254

17. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

(a) Disclosures of level in fair value hierarchy at 30 June 2025 and 31 December 2024:

	Fair value measurements using			
	Level 1: RMB'000 (Unaudited)	Level 2: RMB'000 (Unaudited)	Level 3: RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
At 30 June 2025				
Recurring fair value measurements:				
Financial assets at FVTPL				
Wealth management and structured products	–	56,020	–	56,020
Total recurring fair value measurements	–	56,020	–	56,020

	Fair value measurements using			
	Level 1: RMB'000 (Audited)	Level 2: RMB'000 (Audited)	Level 3: RMB'000 (Audited)	Total RMB'000 (Audited)
At 31 December 2024				
Recurring fair value measurements:				
Financial assets at FVTPL				
Wealth management product	–	6,005	–	6,005
Total recurring fair value measurements	–	6,005	–	6,005

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17. FAIR VALUE MEASUREMENTS (continued)

- (b) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements:

The Group's financial controller is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The Group's financial controller works closely with the qualified external valuers when necessary to determine the appropriate valuation techniques and inputs used in fair value measurements. The Group's financial controller reports directly to the Board of Directors for these fair value measurements. Discussions of valuation processes and results are held between the Group's financial controller and the Board of Directors at least twice a year.

Level 2 fair value measurements

Description	Valuation technique	Inputs	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Wealth management and structured products	Estimated redeemable amount	Daily quotation published by the financial institution	56,020	6,005

There is no transfer between the different levels of the fair value hierarchy during the six months ended 30 June 2025.

18. CAPITAL COMMITMENTS

The Group did not have any material capital commitments at 30 June 2025 and 31 December 2024.

19. CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities at 30 June 2025 and 31 December 2024.

20. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the unaudited condensed interim consolidated financial statements, the Group entered into the following significant related party transactions for the six months ended 30 June 2025.

(a) Name of and relationship with related parties

During the six months ended 30 June 2025, transactions with the following parties are considered as related party transactions:

Name of related party	Relationship with the Group
Mr. Yu Jianwu 俞建午先生	Controlling shareholder of the Company
Xingfu Jian Holdings Group including 杭州幸福健控股有限公司及其附屬公司	Corporate controlled by Mr. Yu Jianwu
(i) Sundry Land and its subsidiaries 宋都股份及其附屬公司; and	
(ii) Zhejiang Zhizhonghe Industry Co., Ltd. ("Zhizhonghe Industry") and its subsidiaries 浙江致中和實業有限公司及其附屬公司	
Tonglu Daqi County Real Estate Co., Ltd. 桐廬大奇山郡置業有限公司	Joint venture of Xingfu Jian Holdings
Zhoushan Rongdu Property Co., Ltd. 舟山榮都置業有限公司	Joint venture of Xingfu Jian Holdings
Greenland Holdings Corporation Hangzhou Twin Towers Property Co., Ltd. 綠地控股集團杭州雙塔置業有限公司	Joint venture of Xingfu Jian Holdings
Liuzhou Shuangdu Real Estate Co., Ltd. 柳州雙都置業有限公司	Joint venture of Xingfu Jian Holdings
Guzhang Daying Mining Co., Ltd. 古丈大盈礦業有限公司	Joint venture of Xingfu Jian Holdings
Quzhou Ronsheng Property Co., Ltd. 衢州融晟置業有限公司	Associate of Xingfu Jian Holdings
Zhoushan Hongdu Real Estate Co., Ltd. 舟山弘都置業有限公司	Associate of Xingfu Jian Holdings
Shaoxing Guangdu Real Estate Development Co., Ltd. 紹興廣都房地產開發有限公司	Associate of Xingfu Jian Holdings
Guigang Dalong Property Co., Ltd. 貴港大龍置業有限公司	Associate of Xingfu Jian Holdings
Hangzhou Jinxing Real Estate Development Co., Ltd. 杭州金興房地產開發有限公司	Associate of Xingfu Jian Holdings
Hangzhou Xuandu Real Estate Development Co., Ltd. 杭州軒都房地產開發有限公司	Associate of Xingfu Jian Holdings

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for the six months ended 30 June 2025

20. RELATED PARTY TRANSACTIONS (continued)

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

Name of related party	Relationship with the Group
Ningbo Fenghua Huaqi Real Property Co., Ltd. 寧波奉化花祺置業有限公司	Associate of Xingfu Jian Holdings
Hangzhou Sundry Yangguang Kindergarten Co., Ltd ("Sundy Yangguang Kindergarten") 杭州宋都陽光幼兒園有限公司	Corporate significantly influenced by Mr. Yu Jianwu
Shanghai Greenland Property Services Co., Ltd. ("Greenland Property") 上海綠地物業服務公司	Non-controlling shareholder of Hangzhou Songya Property Service Co., Ltd. (杭州宋雅物業服務有限公司)

The English translation of the company name is for reference only. The official names of these companies are in Chinese.

(b) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors, is as follows:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Salaries, allowances and benefits in kind	1,342	751
Discretionary bonuses	588	368
Retirement scheme contributions	89	79
	2,019	1,198

Total remuneration is included in "staff costs" (see Note 9).

for the six months ended 30 June 2025

20. RELATED PARTY TRANSACTIONS (continued)**(c) Significant related party transactions**

The particulars of significant transactions between the Group and the above related parties for the six months ended 30 June 2025 presented are as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Property management services and the corresponding value-added services		
(i) Property management services		
– Xingfu Jian Holdings Group	8,828	10,700
– Sundy Land and its subsidiaries	16	–
– Zhi Zhong He and its subsidiaries	876	1,036
– Associates and joint ventures of Xingfu Jian Holdings	86	–
(ii) Value-added services to non-property owners		
– Sundy Land and its subsidiaries	1,073	1,705
– Associates and joint ventures of Xingfu Jian Holdings	940	3,356
(iii) Other community value-added services		
– Sundy Land and its subsidiaries	4	219
– Associates and joint ventures of Xingfu Jian Holdings	2	212
Hotel business services		
Variable lease expenses to:		
– Sundy Land and its subsidiaries	2,242	2,285
Interest expense to		
– Greenland Property	42	42

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

for the six months ended 30 June 2025

20. RELATED PARTY TRANSACTIONS (continued)

(c) Significant related party transactions (continued)

(a) *Hotel business*

The Group leased one hotel premise from Hangzhou Sundry Real Estate Group Co., Ltd. (“**Sundry Real Estate**”) (杭州宋都房地產集團有限公司), which is a wholly-owned subsidiary of Sundry Land for its hotel business under variable lease terms with variable rental payments, which are based on its revenue from hotel operation and rental income, in 2017. According to the hotel lease agreement signed with Sundry Real Estate dated 1 November 2017, the Group is required to pay 15% of the revenue from hotel operation in its first six months of operation, i.e. October 2018, and then 20% of the revenue from hotel operation from the seventh month of operation onwards. In addition, the Group is required to pay 60% of the rental income from 2019 when the Group sub-lets the shops in the hotel premise.

The leasing period is three years commencing from the delivery of hotel premise in October 2018. The agreement was renewed in October 2021 for 10 years with the lease terms unchanged.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

for the six months ended 30 June 2025

20. RELATED PARTY TRANSACTIONS (continued)

(d) Balances with related parties

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Trade related		
Trade receivables		
– Sundry Land and its subsidiaries	41,361	32,464
– Associates and joint ventures of Xingfu Jian Holdings	2,419	25,710
– Zhizhonghe Industry and its subsidiaries	108	80
	43,888	58,254
Trade payables		
– Xingfu Jian Holdings Group		
– Sundry Land and its subsidiaries	2,964	1,674
– Greenland Property	72	72
– Zhizhonghe Industry and its subsidiaries	151	151
	3,187	1,897
Contract liabilities		
– Sundry Land and its subsidiaries	83	82
	83	82
Non-trade related		
Other receivables		
– Sundry Land and its subsidiaries (Note i)	140	5,150
– Joint venture of Xingfu Jian Holdings (Note ii)	388	388
	528	5,538
Other payables		
– Sundry Land and its subsidiaries	130	–
– Greenland Property	2,042	2,276
	2,172	2,276

Notes:

- (i) The balance of other receivables due from Sundry Land and its subsidiaries as at 30 June 2025 includes commission income on financial guarantee of approximately RMBNil (At 31 December 2024: RMB5,120,000), which is unsecured, interest-free and repayable on demand.
- (ii) The balance of other receivables due from joint venture of Xingfu Jian Holdings as at 30 June 2025 includes certain performance guarantee deposit of approximately RMB388,000 (At 31 December 2024: RMB388,000), which is interest-free and repayable on demand, to secure the quality of property management services provided to Twin Towers Property.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

for the six months ended 30 June 2025

21. IMMEDIATE AND ULTIMATE CONTROLLING PARTY

At 30 June 2025 and 31 December 2024, the directors consider the immediate and ultimate parent to be Sundy Heye Limited and CMB Wing Lung (Trustee) Limited, which are incorporated in the British Virgin Islands respectively. The ultimate controlling party of the Group to be Mr. Yu Jianwu.

22. EVENTS AFTER THE REPORTING PERIOD

Save as disclosed elsewhere in the unaudited condensed interim consolidated financial statements, there are no other significant events after the reporting period that are required to be reported.

23. APPROVAL OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The unaudited condensed interim consolidated financial statements were approved and authorised for issue by the Board of Directors on 28 August 2025.