



泓盈城市運營服務集團股份有限公司

HOLLWIN URBAN OPERATION SERVICE GROUP CO., LTD

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

Stock Code: 2529



2025

INTERIM REPORT

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CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. Xie Yi (謝毅) (*Chairman*)
Mr. Yang Xin (陽鑫)
Mr. Duan Wenming (段文明)
Mr. Wong Kwok Fu (王國賦)

Non-Executive Director

Mr. Yu Xiao (余效)

Independent Non-Executive Directors

Ms. Chan Ka Lai Vanessa (陳嘉麗)
Dr. Dai Xiaofeng (戴曉鳳)
Mr. Tse Chi Wai (謝志偉)

SUPERVISORS

Mr. Huang Guohui (黃國輝)
Ms. Peng Juanjuan (彭娟鵬)
Ms. Xiao Mingxi (肖名希)

AUDIT COMMITTEE

Ms. Chan Ka Lai Vanessa (陳嘉麗) (*Chairlady*)
Mr. Yu Xiao (余效)
Mr. Tse Chi Wai (謝志偉)

REMUNERATION AND EVALUATION COMMITTEE

Dr. Dai Xiaofeng (戴曉鳳) (*Chairlady*)
Mr. Yang Xin (陽鑫)
Ms. Chan Ka Lai Vanessa (陳嘉麗)

NOMINATION COMMITTEE

Mr. Xie Yi (謝毅) (*Chairman*)
Dr. Dai Xiaofeng (戴曉鳳)
Mr. Tse Chi Wai (謝志偉)

AUTHORISED REPRESENTATIVES

Mr. Wong Kwok Fu (王國賦)
Mr. Lam Kang Chi (林庚堉)

JOINT COMPANY SECRETARIES

Mr. Wong Kwok Fu (王國賦)
Mr. Lam Kang Chi (林庚堉)

AUDITOR

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CORPORATE INFORMATION

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Wanchai, Hong Kong

STOCK CODE

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COMPANY WEBSITE

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FINANCIAL SUMMARY

Summary of Consolidated Statement of Profit or Loss and Other Comprehensive Income

	For the six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue	316,190	311,609
Gross profit	85,097	86,675
Profit and total comprehensive income	38,535	38,050
Profit and total comprehensive income attributable to equity shareholders of the Company	38,537	38,177
Basic and diluted earnings per share (RMB)	0.24	0.29

Revenue of the Group remained relatively stable at RMB316.2 million for the six months ended June 30, 2025 (the “Reporting Period”) (six months ended June 30, 2024: RMB311.6 million), among which revenue from property management services increased by RMB12.6 million, revenue from urban services decreased by RMB11.6 million, and revenue from commercial operation services increased by RMB3.6 million.

The gross profit of the Group remained relatively stable at RMB85.1 million for the Reporting Period (six months ended June 30, 2024: RMB86.7 million), while the gross profit margin slightly decreased from 27.8% to 26.9%.

During the Reporting Period, the profit and total comprehensive income remained relatively stable at RMB38.5 million (six months ended June 30, 2024: RMB38.1 million).

During the Reporting Period, net profit attributable to equity shareholders of the Company amounted to RMB38.5 million (six months ended June 30, 2024: RMB38.2 million).

Basic and diluted earnings per share amounted to RMB0.24 for the Reporting Period (six months ended June 30, 2024: RMB0.29).

The Board does not recommend the distribution of any interim dividend for the Reporting Period.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

As a state-owned urban service and operation provider with headquarters in Changsha, Hunan Province, the Group provides a wide spectrum of services for its customers, forming a cohesive business layout rooted in the urban area. With business operations primarily based in Changsha, the Group has established a solid market presence and built a reputation in the local market.

During the six months ended June 30, 2025, the Group derived revenue primarily from three business lines: (i) property management services, including different property management services and value-added services to public properties, commercial properties, and residential properties; (ii) urban services, including landscaping and engineering, lighting system operation, parking lot operation, and municipal sanitation services; and (iii) commercial operation services.

The Group has built a reputation in the local market by serving a variety of property owners and developers, and its prospects are reliant on the relationships the Group has cultivated with these property owners and developers. The Group believes that provision of diverse services will improve customers' loyalty, increase the Group's brand recognition and enhance business operations and financial performance. According to China Index Academy ("CIA"), the Group was ranked 42nd among the top 100 property management service enterprises in China in 2025 (2025中國物業服務百強企業). The Group was also recognized as a "Leading Smart Urban Services Enterprise in China 2025" (2025中國智慧城市服務領先企業), one of the "2025 China Excellent State-owned Property Management Companies" (2025中國國有物業服務優秀企業) and "Leading Enterprise of Characteristic Property Service in China 2025" (2025中國特色物業服務領先企業) by CIA.

Project portfolio

The following table sets forth the number of projects and GFA under management for property management services, urban services and commercial operation services as at the dates indicated by operation segments:

	For the period or as of June 30,					
	2025			2024		
	Project number	GFA under management (million sq.m.)	Revenue (RMB'000) (Unaudited)	Project number	GFA under management (million sq.m.)	Revenue (RMB'000) (Unaudited)
Property management services	84	11.6	147,028	73	10.9	134,432
Urban services ⁽¹⁾⁽²⁾	160	–	135,252	200	–	146,831
Commercial operation services	54	0.8	33,910	57	0.8	30,346
Total	298	12.4	316,190	330	11.7	311,609

Notes:

- (1) Urban services projects are not measured by GFA under management.
- (2) Landscaping and engineering projects are projects of a one-off nature, and the number listed refers to the number of completed projects, while the other projects of urban services are projects of a recurring nature.

MANAGEMENT DISCUSSION AND ANALYSIS

Property management services – accounting for approximately 46.5% of the Group's total revenue

The Group provides public property management services, commercial property management services and residential property management services. Public properties include civic squares, parks and scenic spots, urban exhibition halls, government office buildings and schools; commercial properties include commercial office buildings, commercial complexes and sales centres; and residential properties mainly include residences and apartments. In addition, the Group also provides a wide range of value-added services, such as air conditioner cleaning services and decoration management services, to property developers, property owners, and tenants.

The following table sets forth the number of projects under management, GFA under management, and revenue from the Group's property management services by property type for the periods or as of the dates indicated:

	For the period or as of June 30,					
	Project number	2025 GFA under management (sq.m.'000)	Revenue (RMB'000)	Project number	2024 GFA under management (sq.m.'000)	Revenue (RMB'000)
Public properties	32	7,085	43,618	21	6,922	41,257
Commercial properties	40	2,678	66,972	36	2,254	64,454
Residential properties	12	1,790	16,323	16	1,731	11,990
Value-added services	N/A	N/A	18,363	N/A	N/A	16,731
Security services	N/A	N/A	1,752	N/A	N/A	–
Total	84	11,553	147,028	73	10,907	134,432

During the Reporting Period, the Group's revenue from property management services amounted to approximately RMB147.0 million, representing an increase of approximately 9.4% as compared to the same period in 2024, mainly due to the increase in the GFA and number of projects under management of the Group.

As at June 30, 2025, the GFA under management of the Group's property management services was approximately 11.6 million sq.m., representing a year-on-year increase of 6.4% which was primarily due to the fact that the Group enhanced its efforts in market expansion by utilising the business resources of CSUD Group and actively exploring business opportunities with independent third party customers.

In the first half of 2025, the Group achieved continuous improvement in market expansion. The Group undertook three new projects contracted in the first half of 2025 by enhancing efforts in market expansion, and had 84 projects in total in terms of property management services.

CSUD Group has developed a diversified portfolio of high-quality properties, including but not limited to, public infrastructure and facilities, such as office buildings, cultural parks, and exhibition centers. The Group's long-standing relationship with CSUD Group has driven its development since its inception and laid the foundation for its continuous growth.

MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets forth the number of projects under management, GFA under management, and revenue from the Group's property management services by project source for the periods or as of the dates indicated:

	For the period or as of June 30,					
	Project number	2025 GFA under management (sq.m.'000)	Revenue (RMB'000) (Unaudited)	Project number	2024 GFA under management (sq.m.'000)	Revenue (RMB'000) (Unaudited)
CSUD Group and its associates	59	4,910	104,680	50	4,216	95,907
Independent Third Parties	25	6,643	42,348	23	6,691	38,525
Total	84	11,553	147,028	73	10,907	134,432

During the Reporting Period, a majority of property management service projects under management were sourced from CSUD Group and its associates. As of June 30, 2025, the number of projects sourced from CSUD Group and its associates was 59, while the number of projects sourced from Independent Third Parties was 25, representing an increase of 18.0% and 8.7% compared to June 30, 2024, respectively. The GFA under management of projects sourced from CSUD Group and its associates was approximately 4.9 million sq.m., while the GFA under management of projects sourced from Independent Third Parties was approximately 6.6 million sq.m., representing a year-on-year increase of 16% and decrease of 0.7%, respectively. During the Reporting Period, the revenue from projects sourced from CSUD Group and its associates amounted to approximately RMB104.7 million, while the revenue from projects sourced from Independent Third Parties amounted to approximately RMB42.3 million, representing a year-on-year increase of 9.1% and 9.9%, respectively. The increases were primarily due to the fact that the Group enhanced its efforts in market expansion and actively exploring business opportunities with Independent Third-Party customers.

Since its inception, the Group has been deeply rooted in Changsha, Hunan Province. Its long-term intensive cultivation in Hunan Province has enabled the establishment of a robust regional service network in certain areas, and it has become one of the most prominent property management service providers in the local market.

MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets forth the number of projects under management, GFA under management, and revenue from the Group's property management services by region for the periods or as of the dates indicated:

	For the period or as of June 30,					
	2025			2024		
	Project number	GFA under management (sq.m.'000)	Revenue (RMB'000) (Unaudited)	Project number	GFA under management (sq.m.'000)	Revenue (RMB'000) (Unaudited)
Hunan Province (Changsha)	81	11,003	143,584	70	10,357	131,850
Jiangxi Province (Pingxiang)	1	— ⁽¹⁾	101	1	— ⁽¹⁾	165
Guizhou Province (Guiyang)	2	550	3,343	2	550	2,417
Total	84	11,553	147,028	73	10,907	134,432

Note:

(1) For this specific commercial property management service project located in Jiangxi Province, GFA was not specified in its contract.

As of June 30, 2025, the Group managed 81 properties with an aggregate GFA under management of approximately 11.0 million sq.m. in Hunan Province. During the Reporting Period, the revenue generated from Hunan Province amounted to approximately RMB143.6 million, representing 97.7% of its total revenue from property management services. Meanwhile, in the first half of 2025, the Group managed one and two projects in Jiangxi Province and Guizhou Province, with a total revenue of approximately RMB0.1 million and RMB3.3 million, respectively.

Urban services – accounting for approximately 42.8% of the Group's total revenue

Founded on the Group's established expertise, experience and track record of providing quality and tailor-made management services to various categories of properties, the Group has been extending its business capacities to become a state-owned professional urban service provider specializing in serving public spaces and municipal infrastructures. The Group assists local governments and public institutions in providing urban services to improve the living experience and environment of citizens. The Group's urban services mainly include (i) landscaping and engineering, including landscape construction and engineering construction; (ii) lighting system operation, including landscape lighting operation and functional lighting operation; (iii) parking lot operation including the operation and management of public parking spaces by self-operation and leasing; and (iv) municipal sanitation services including the cleaning of municipal infrastructures such as city roads, the external walls of buildings along the main road, street lamps, and bus platforms.

MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets forth the number of projects under management and revenue from the Group's urban services by service type for the periods or as of the dates indicated:

	For the period or as of June 30,			
	2025		2024	
	Project number	Revenue (RMB'000) (Unaudited)	Project number	Revenue (RMB'000) (Unaudited)
Landscaping and engineering ⁽¹⁾	17	56,399	53	65,394
Lighting system operation	5	33,635	4	30,953
Parking lot operation	134	21,930	140	21,895
Municipal sanitation services	4	23,288	3	28,589
Total	160	135,252	200	146,831

Note:

(1) Landscaping and engineering projects are one-off in nature, and the number listed refers to the number of completed projects.

During the Reporting Period, the Group's revenue from urban services amounted to approximately RMB135.3 million, representing a decrease of approximately 7.9% over the same period in 2024. The decrease was primarily due to the decrease in the number of landscaping and engineering projects. The decline in the project volume was mainly attributable to the overall market contraction due to local government debt resolution and slower infrastructure investment growth.

Landscaping and engineering

Taking modern city landscaping and engineering as one of its foci in urban services, the Group is a landscaping construction provider integrating (i) landscaping, mainly including landscape greening, scenery, garden water application, garden electricity application, garden road engineering, landscape structures, and rooftop greening; and (ii) engineering, mainly including garbage disposal, heat pipe engineering and hard paving of surface parking lots. As of June 30, 2025, the Group completed 17 landscaping and engineering projects, representing a decrease of 36 projects compared to June 30, 2024.

Lighting system operation

The Group's lighting system operation is divided into two categories, landscape lighting operation and functional lighting operation. Landscape lighting mainly refers to the lighting of scenic spots, high-rise buildings, and other places within the urban planning area, with the primary purpose to enhance the cultural and artistic atmosphere of the city. Functional urban lighting mainly refers to the lighting of public areas such as roads, tunnels, bridges, and squares within the urban planning area, with the primary purpose to improve the safety and convenience of the city. As of June 30, 2025, the Group had been providing services for five lighting system operation projects, remaining relatively stable as compared to June 30, 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

Parking lot operation

The Group is mainly engaged in the operation and management of stand-alone public parking lots on the ground, underground, and under bridges. According to its business operation, the Group divides the parking lot operation into two models: self-operation and leasing to other entities or individuals. By utilizing abundant site resources, including geographical advantages and economies of scale, the Group can meet the needs of different users and bring stable business opportunities. As of June 30, 2025, the Group had been providing services for 134 parking lot operation projects, remaining relatively stable as compared to June 30, 2024.

Municipal sanitation services

Leveraging its advantages built on providing traditional property management services, the Group has been exploring, investigating and developing in the fields of municipal sanitation and environmental sanitation, forming a competitive urban operation service pattern. The municipal sanitation services the Group provides mainly include road cleaning, sweeping and upkeep, and cleaning of bus stops and signage. The Group also provides services of cleaning, collection and transportation of urban domestic waste. As of June 30, 2025, the Group had been providing services for 4 municipal sanitation projects, remaining relatively stable as compared to June 30, 2024.

Commercial operation services – accounting for approximately 10.7% of the Group's total revenue

The Group offers a wide range of commercial property operation services to developers, owners, and tenants, including preliminary business planning, preliminary operation analysis, tenant recruitment, lease agreement formulation, opening guidance, and daily operation counselling.

As at June 30, 2025, the Group provided commercial operation services to 54 commercial properties with a total GFA under management of approximately 0.8 million sq.m., which remained stable as compared to that as at June 30, 2024.

During the Reporting Period, the Group's revenue from commercial operation services increased from RMB30.3 million for the six months ended June 30, 2024 to RMB33.9 million for the six months ended June 30, 2025, representing an increase of 11.7% over the corresponding period of 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

Future outlook

In the second half of 2025, the Group will continue to be committed to achieve the mission of “making urban life better”, further diversify its businesses, enhance internal control level, adhere to the parallel development of scale and quality, further strengthen confidence in development, and continuously achieve new breakthroughs in operating results.

(1) *Continue to consolidate the Group’s position in Hunan Province and continue to expand the business scale through multiple channels*

The Group’s business scale will be expanded through mergers and acquisitions, equity investment and other methods. Sound procedures for the selection of acquisition targets as well as due diligence and judgment will be implemented. The Group will optimize its service offerings based on the deep cultivation of related industries and accumulated years of experience. The Group will continue to leverage the project reserves held by CSUD Group and plan to actively secure projects to be developed by CSUD Group and its associates in the future to expand the business scale of the Group. In addition to cooperation with CSUD Group, the Group will strengthen its business development capabilities by obtaining business opportunities with independent third-party property developers and other customers, as well as leveraging the Group’s brand image and business know-hows that are accumulated through the Group’s successful business operation.

(2) *Continue to improve the Group’s brand awareness, service quality and customer satisfaction*

Based on the whole industry chain and full life cycle of urban service and operation and to meet the people’s growing needs for a better urban life, the Group will continue to focus on customer satisfaction as a core, continue to upgrade service quality, and provide more detailed, comprehensive, caring and efficient property services and value-added services for diversified customers. Leveraging the advantages of CSUD Group, the Group will actively expand its business reach to undertake more projects. In addition, the Group will cooperate with local governments to take urban services as the entry point, and undertake relevant projects to increase the Group’s output value. The Group will also try to enrich its brand awareness and value-added services by adding different customized value-added services to the service value chain.

(3) *Continue to invest in technology empowerment to further improve the Group’s technology capabilities and promote its degrees of digitisation and automation*

The Group will continue to develop and optimize the functionality of its internal management information system, which primarily focuses on the online management of various labour-intensive tasks, contracts, finance, and assets. Furthermore, the Group will continue to develop and enhance various types of business operating systems to achieve functional development, data linking, and information resource sharing.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

The Group generated revenue from the provision of three business segments, namely (i) property management services; (ii) urban services; and (iii) commercial operation services. The following table sets forth is a breakdown of revenue by types of services during the periods indicated:

	For the six months ended June 30,			
	2025		2024	
	RMB'000 (Unaudited)	%	RMB'000 (Unaudited)	%
Property management services	147,028	46.5	134,432	43.1
Urban services	135,252	42.8	146,831	47.2
Commercial operation services	33,910	10.7	30,346	9.7
Total	316,190	100.0	311,609	100.0

The total revenue of the Group remained relatively stable at RMB311.6 million and RMB316.2 million for the six months ended June 30, 2024 and 2025, respectively:

- *Property management service.* Revenue from property management services increased by 9.4% from RMB134.4 million for the six months ended June 30, 2024 to RMB147.0 million for the Reporting Period, mainly attributable to (i) an increase in the GFA under management from 10.9 million sq.m. as at June 30, 2024 to 11.6 million sq.m. as at June 30, 2025; and (ii) an increase in the number of projects under management from 73 as at June 30, 2024 to 84 as at June 30, 2025.
- *Urban services.* Revenue from urban services decreased by 7.9% from RMB146.8 million for the six months ended June 30, 2024 to RMB135.3 million for the Reporting Period, primarily due to the decrease in the number of landscaping and engineering projects. The decline in the project volume was mainly attributable to the overall market contraction due to local government debt resolution and slower infrastructure investment growth.
- *Commercial operation services.* Revenue from commercial operation services increased by 11.7% from RMB30.3 million for the six months ended June 30, 2024 to RMB33.9 million for the Reporting Period, primarily due to the collection of outstanding payments with respect to certain projects by the customers of the Group, on which the Group's revenue was calculated based, in the first half of 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Cost of sales

The cost of sales of the Group increased by 2.7% from RMB224.9 million for the six months ended June 30, 2024 to RMB231.1 million for the Reporting Period, primarily due to (a) the Group's revenue growth which led to a corresponding rise in cost, and (b) the transition of certain sales centers in the property management segment into residential projects upon delivery, which resulted in higher cost for rendering services.

Gross profit and gross profit margin

As a result of the foregoing, the overall gross profit margin of the Group slightly decreased from 27.8% for the six months ended June 30, 2024 to 26.9% for the Reporting Period.

Other net income

The Group's other net income decreased by 80.1% from RMB0.6 million for the six months ended June 30, 2024 to RMB0.1 million for the Reporting Period, primarily due to a decrease in non-recurring government subsidies and reduced exchange gains.

Selling expenses

The Group's selling expenses decreased by 36.1% from RMB2.4 million for the six months ended June 30, 2024 to RMB1.5 million for the Reporting Period, primarily driven by a decrease in marketing expenses as projects entered a stable operation phase.

Administrative expenses

The Group's administrative expenses decreased by 10.5% from RMB31.5 million for the six months ended June 30, 2024 to RMB28.2 million for the Reporting Period, mainly because higher expenses were incurred last year for listing-related activities.

Expected credit loss

The Group's expected credit loss increased by 30.5% from RMB3.4 million for the six months ended June 30, 2024 to RMB4.5 million for the Reporting Period, primarily due to the ageing of certain trade receivables and contract assets.

MANAGEMENT DISCUSSION AND ANALYSIS

Finance income

The Group's finance income increased by 14.6% from RMB0.9 million for the six months ended June 30, 2024 to RMB1.0 million for the Reporting Period, primarily because of an increase in cash at banks, which resulted in higher finance income.

Share of profits less losses of an associate and joint ventures

The Group's share of profits less losses of an associate and joint ventures remained relatively stable at RMB0.2 million and RMB0.2 million for the six months ended June 30, 2024 and 2025, respectively.

Income tax

The Group's income tax increased by 5.1% from RMB12.9 million for the six months ended June 30, 2024 to RMB13.5 million for the Reporting Period, primarily because of an increase in profit before taxation.

Profit and total comprehensive income for the period

As a result of the foregoing, the Group recorded the profit and total comprehensive income for the period of RMB38.1 million and RMB38.5 million for the six months ended June 30, 2024 and 2025, respectively.

Liquidity and capital resources and current assets

In order to manage the Group's cash, maintain strong and healthy liquidity and ensure that the Group is well positioned to take advantage of future growth opportunities, the Group has adopted comprehensive treasury policies and internal control measures to review and monitor its financial resources and has maintained stable financial condition and sufficient liquidity throughout. As at June 30, 2025, the Group did not have any outstanding borrowings or banking facilities.

As at June 30, 2025, the Group's cash and cash equivalents amounted to approximately RMB321.3 million, representing a decrease of approximately 9.4% as compared with approximately RMB354.7 million as at December 31, 2024. The decrease was mainly attributable to net cash used in investing activities. The Group's net cash used in investing activities amounted to RMB63.3 million for the six months ended June 30, 2025, mainly attributable to the placement for time deposit of RMB60.0 million. The management believes that the Group has sufficient financial resources and future revenue to support the current working capital requirement and future expansion of the Group.

As at June 30, 2025, the gearing ratio of the Group was 147.7% (December 31, 2024: 139.4%), which represents the total liabilities of the Group divided by total equity of the Group as of the respective date and multiplied by 100%.

Inventories

The Group's inventories remained relatively stable at RMB3.7 million and RMB3.5 million as at December 31, 2024 and June 30, 2025, respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

Contract assets

The Group's contract assets amounted to RMB286.3 million and RMB242.9 million as at December 31, 2024 and June 30, 2025, respectively, primarily due to the settlement and recognition of certain contract assets.

Trade receivables

The Group's trade receivables increased by 30.0% from RMB165.4 million as at December 31, 2024 to RMB215.0 million as at June 30, 2025, primarily due to the settlement of certain contract assets transferred into trade receivables and the ageing of certain trade receivables.

Other receivables

The Group's other receivables increased by 7.1% from RMB6.2 million as at December 31, 2024 to RMB6.7 million as at June 30, 2025, primarily due to an increase in deposits and guarantee deposits.

Trade payables

The Group's trade payables decreased by 6.1% from RMB328.1 million as at December 31, 2024 to RMB308.3 million as at June 30, 2025, primarily due to the payments made on trade payables by the Group.

Property, plant and equipment

The Group's property, plant and equipment consist primarily of (i) motor vehicles; (ii) machinery and electronic equipment; (iii) furniture and others; (iv) leasehold improvement; and (v) right-of-use assets. The carrying amount of property, plant and equipment remained relatively stable at RMB17.3 million and RMB17.3 million as at December 31, 2024 and June 30, 2025, respectively.

Foreign currency risk

The Group's principal activities are conducted in the PRC. Except for certain net proceeds raised from the listing in May 2024, which are denominated in Hong Kong dollars, the Group is not exposed to any significant risk directly related to foreign exchange fluctuations. Taking into account the potential RMB exchange rate fluctuations, the Group will continue to monitor its foreign exchange exposure and take prudent measures to reduce its foreign exchange risk. For the six months ended June 30, 2025, the Group did not use any financial instruments for hedging purposes.

MANAGEMENT DISCUSSION AND ANALYSIS

Capital commitment and capital expenditure

The Group mainly has capital commitments with respect to contribution to the associate and joint ventures. Capital expenditure contracted for but not yet incurred as at December 31, 2024 and June 30, 2025 was RMB6.6 million and RMB6.5 million, respectively.

The following table sets out the Group's capital expenditure for the periods indicated:

	For the six months ended June 30,	
	2025	2024
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Unaudited)
Additions to purchase of property, plant and equipment	4,287	1,836

Contingent liabilities

The Group had no material contingent liabilities as at June 30, 2025.

Pledge of assets

As at June 30, 2025, none of the assets of the Group was pledged.

Significant investments, material acquisitions and disposal and future plans

During the Reporting Period, the Group did not have any significant investments, material acquisitions and disposals.

MANAGEMENT DISCUSSION AND ANALYSIS

Use of proceeds from the Global Offering

The Company was listed on the Main Board of the Stock Exchange on May 17, 2024 by way of global offering of ordinary shares of the Company, including a public offering in Hong Kong of 4,000,000 shares and an international offering of 36,000,000 shares, in each case at a price of HK\$3.2 per share (collectively the “**Global Offering**”). After deducting the underwriting fees and relevant expenses, net proceeds from the Global Offering amounted to approximately HK\$86.4 million. Such proceeds have been and will continue to be applied in the manner consistent with that in the Prospectus:

Usage	% of total net proceeds	Planned allocation of net proceeds HK\$ million (approximately)	Utilized net proceeds up to the date of this report HK\$ million (approximately)	Unutilized net proceeds up to the date of this report HK\$ million (approximately)	Expected timeline for full utilization of the balance
Strategic acquisitions, including strategic acquisitions of property management service providers specializing in professional service providers and urban service providers with relevant operation experience and required qualifications	29.2%	25.2	–	25.2	By the end of 2025
Purchase of vehicles and equipment, including:					
(i) Purchase operational vehicles for municipal sanitation services	19.8%	17.1	–	17.1	By the end of 2026
(ii) Procure operational vehicles and equipment for lighting system operation services	1.2%	1.0	–	1.0	By the end of 2025
Technological investment, including:					
(i) Develop and optimise the internal management information system	8.5%	7.4	2.3	5.1	By the end of 2026
(ii) Develop and enhance business operating systems	7.4%	6.4	–	6.4	By the end of 2027
(iii) Develop device connection systems	8.5%	7.4	–	7.4	By the end of 2026
(iv) Recruit engineers for software development and maintenance	0.8%	0.7	–	0.7	By the end of 2026
Talent training and retention, including:					
(i) Expand the Group's dedicated team	13.7%	11.8	0.6	11.2	By the end of 2027
(ii) Optimise talent training programmes	1.6%	1.4	–	1.4	By the end of 2027
Working capital	9.3%	8.0	8.0	–	By the end of 2025
Total	100.0%	86.4	10.9	75.5	

MANAGEMENT DISCUSSION AND ANALYSIS

The unutilised net proceeds are currently held in bank deposits and will continue to be applied in the manner consistent with the proposed allocations in the Prospectus. For further information, please refer to the section headed “Future Plans and Use of Proceeds” in the Prospectus.

As at the date of this report, there has been no material change in the actual use of the net proceeds from the intended use.

Share option scheme

During the period from the Listing Date up to June 30, 2025, the Group has no share option scheme.

Employee and remuneration policy

As at June 30, 2025, the Group had a total of 547 employees. For the Reporting Period, the total staff cost of the Group was RMB49.4 million (six months ended June 30, 2024: RMB48.4 million).

The Group’s employee remuneration policy is determined by factors such as remuneration in respect of the local market, the overall remuneration standard in the industry, the inflation level, corporate operating efficiency and employee performance. The Group conducts performance appraisals once every year for its employees, the results of which are applied in annual salary reviews and promotional assessments. The Group considers the employee’s annual bonuses according to certain performance criteria and appraisals results. Social insurance contributions are made by the Group for its PRC employees in accordance with the relevant PRC regulations.

The Group also provides continuous learning and training programs to its employees to enhance their skills and knowledge, so as to maintain their competitiveness and improve customer service quality. The Group did not experience any major difficulties in recruitment, nor did it experience any material loss in manpower or suffer from any material labor dispute during the Reporting Period.

Events after the Reporting Period

The Company is not aware of any material subsequent events from June 30, 2025 to the date of this announcement that may have a material impact on the Group’s operating and financial performance that needs to be disclosed.

OTHER INFORMATION

CORPORATE GOVERNANCE PRACTICE

The Company has adopted the code provisions of the Corporate Governance Code (the “**Corporate Governance Code**”) contained in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as its own code of corporate governance. The Company has complied with all the applicable code provisions of the Corporate Governance Code during the Reporting Period.

SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as a code of conduct for securities transactions by the Directors and supervisors (the “**Supervisors**”) of the Company. The Company has made specific enquiries to all Directors and Supervisors and they all have confirmed that they had complied with the Model Code during the Reporting Period. In addition, the Company is not aware of any non-compliance of the Model Code by the senior management of the Group during the Reporting Period.

CHANGES IN DIRECTORS' INFORMATION

The Directors of the Company are not aware of any change in directors' information required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules since the Listing Date.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (as defined under the Listing Rules)) during the Reporting Period. As at June 30, 2025, the Company did not hold any treasury shares.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the knowledge of the Directors, during the Reporting Period and as at the date of this report, the Company maintained sufficient public float in compliance with the Listing Rules.

MATERIAL LEGAL PROCEEDINGS

During the Reporting Period and up to the date of this report, except for the receipt of a writ of summons as disclosed in the announcement of the Company dated September 4, 2025, no member of the Group was involved in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

OTHER INFORMATION

AUDIT COMMITTEE

The Audit Committee currently comprises three members, namely Ms. Chan Ka Lai Vanessa (independent non-executive Director), Mr. Yu Xiao (non-executive Director) and Mr. Tse Chi Wai (independent non-executive Director). Ms. Chan Ka Lai Vanessa serves as the chairlady of the Audit Committee. She has appropriate accounting and related financial management expertise, which complies with Rule 3.21 of the Listing Rules.

The principal duties of the audit committee of the Company (“**Audit Committee**”) include the review and supervision of the Group’s financial reporting system, the preparation of financial statements and internal control procedures. It also acts as an important link between the Board and the external auditor for determining the scope of the Group audit. The Audit Committee, together with the management of the Company, have reviewed the unaudited interim results of the Group and this announcement and agreed with the accounting treatment adopted by the Company. The Audit Committee considered that the interim financial results for the six months ended June 30, 2025 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

INTERIM DIVIDEND

The Board does not recommend the distribution of any interim dividend for the Reporting Period.

INTERESTS AND SHORT POSITIONS OF EACH OF OUR DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As of June 30, 2025, none of the Directors, Supervisors or the chief executives of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or required to be recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

OTHER INFORMATION

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

As of June 30, 2025, to the best knowledge of the Directors, the following persons (other than Directors or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of Shareholder/ Ultimate Controller	Nature of interest ¹	Type of Shares	Number of Shares held	Approximate percentage of shareholding in the relevant type of Shares ²	Approximate percentage of shareholding in the total issued Shares of the Company ³
CSUDGCL	Beneficial owner	Unlisted Shares	114,000,000	95%	71.25%
	Interest held by a controlled corporation ⁴	Unlisted Shares	6,000,000	5%	3.75%
Asian Equity Special Opportunities Portfolio Master Fund Limited	Beneficial owner ⁵	H Shares	9,208,000	23.02%	5.76%
RAYs Capital Partners Limited	Investment manager ⁵	H Shares	9,208,000	23.02%	5.76%

Notes:

1. All interests stated are long positions.
2. The calculation is based on a total number of 160,000,000 Shares in issue (including 120,000,000 Unlisted Shares and 40,000,000 H Shares) as of June 30, 2025.
3. The calculation is based on the total number of 160,000,000 Shares in issue as of June 30, 2025.
4. Yuelushan Company is indirectly wholly-owned by CSUDGCL. Accordingly, CSUDGCL is deemed to be interested in such Shares held by Yuelushan Company for the purpose of the SFO.
5. Based on publicly available information, as of June 30, 2025, RAYs Capital Partners Limited is the investment manager of Asian Equity Special Opportunities Portfolio Master Fund Limited. RAYs Capital Partners Limited is deemed to be interested in such Shares held by Asian Equity Special Opportunities Portfolio Master Fund Limited for the purpose of the SFO.

CONTINUING OBLIGATIONS UNDER THE LISTING RULES

During the Reporting Period, the Group had no disclosure obligations in respect of advances to an entity under Rule 13.20. In addition, the Group did not provide financial assistance or guarantees to affiliated companies that would require disclosure under Rule 13.22.

REPORT ON REVIEW OF INTERIM FINANCIAL REPORT



**Review report to the board of directors
of Hollwin Urban Operation Service Group Co., Ltd**
(Incorporated in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 24 to 43 which comprise the consolidated statement of financial position of Hollwin Urban Operation Service Group Co., Ltd (the “**Company**”) as of 30 June 2025 and the related consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard 34, *Interim financial reporting* as issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of this interim financial report in accordance with International Accounting Standard 34.

Our responsibility is to express a conclusion, based on our review, on this interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity* as issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

REPORT ON REVIEW OF INTERIM FINANCIAL REPORT

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2025 is not prepared, in all material respects, in accordance with International Accounting Standard 34, *Interim financial reporting*.

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

27 August 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025 – unaudited
(Expressed in Renminbi)

	Note	Six months ended 30 June	
		2025 RMB'000	2024 RMB'000
Revenue	3	316,190	311,609
Cost of sales		(231,093)	(224,934)
Gross profit		85,097	86,675
Other net income	4(f)	112	564
Selling expenses		(1,527)	(2,389)
Administrative expenses		(28,234)	(31,531)
Expected credit loss	4(e)	(4,499)	(3,448)
Profit from operations		50,949	49,871
Share of profits less losses of an associate and joint ventures		155	164
Finance income	4(a)	1,041	908
Finance costs	4(b)	(68)	(11)
Profit before taxation		52,077	50,932
Income tax	5	(13,542)	(12,882)
Profit and total comprehensive income for the period		38,535	38,050
Attributable to:			
Equity shareholders of the Company		38,537	38,177
Non-controlling interests		(2)	(127)
Profit for the period		38,535	38,050
Earnings per share			
Basic and diluted	6	0.24	0.29

The notes on pages 30 to 43 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in Note 13.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025 – unaudited
(Expressed in Renminbi)

		As at 30 June 2025 RMB'000	As at 31 December 2024 RMB'000
	Note		
Non-current assets			
Property, plant and equipment	7	17,305	17,286
Intangible assets		30	47
Interest in joint ventures		14,809	14,635
Interest in an associate		10,782	10,736
Deferred tax assets		14,405	13,124
Rental deposits		2,340	842
Prepayments for acquisition of non-current assets		2,441	2,890
		62,112	59,560
Current assets			
Inventories	8	3,474	3,680
Contract assets	9	242,927	286,302
Prepayments, trade and other receivables	10	238,958	187,013
Time deposit	11	60,000	–
Restricted bank deposits	11	3,210	5,325
Cash and cash equivalents	11	321,326	354,668
		869,895	836,988
Current liabilities			
Trade and other payables	12	518,100	480,002
Contract liabilities	9	20,656	23,578
Lease liabilities		669	761
Current taxation		12,602	13,690
		552,027	518,031
Net current assets		317,868	318,957
Total assets less current liabilities		379,980	378,517

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025 – unaudited

(Expressed in Renminbi)

		As at 30 June 2025 RMB'000	As at 31 December 2024 RMB'000
	Note		
Non-current liabilities			
Lease liabilities		2,000	2,139
Deferred income		1,724	1,860
		3,724	3,999
NET ASSETS		376,256	374,518
CAPITAL AND RESERVES	13		
Share capital		160,000	160,000
Reserves		216,250	214,513
Total equity attributable to equity shareholders of the Company		376,250	374,513
Non-controlling interests		6	5
TOTAL EQUITY		376,256	374,518

The notes on pages 30 to 43 form part of this interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025 – unaudited
(Expressed in Renminbi)

	Note	Attributable to equity shareholders of the Company					Non-controlling interests	Total equity
		Share capital	Share premium	Statutory surplus reserve	Retained profits	Total		
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2024		120,000	–	5,938	129,916	255,854	–	255,854
Changes in equity for the six months ended 30 June 2024:								
Profit and total comprehensive income for the period		–	–	–	38,177	38,177	(127)	38,050
Issuance of shares by initial public offering		40,000	42,001	–	–	82,001	–	82,001
Capital contribution receivable from non-controlling interests		–	–	–	–	–	127	127
Balance at 30 June 2024 and 1 July 2024		160,000	42,001	5,938	168,093	376,032	–	376,032
Changes in equity for the six months ended 31 December 2024:								
Profit and total comprehensive income for the period		–	–	–	33,681	33,681	(249)	33,432
Special dividends declared	13(a)	–	–	–	(35,200)	(35,200)	–	(35,200)
Appropriation for statutory surplus reserve		–	–	16,261	(16,261)	–	–	–
Capital contribution receivable from non-controlling interests		–	–	–	–	–	254	254
Balance at 31 December 2024		160,000	42,001	22,199	150,313	374,513	5	374,518
Balance at 1 January 2025		160,000	42,001	22,199	150,313	374,513	5	374,518
Changes in equity for the six months ended 30 June 2025:								
Profit and total comprehensive income for the period		–	–	–	38,537	38,537	(2)	38,535
Dividends approved in respect of the previous year	13(a)	–	–	–	(36,800)	(36,800)	–	(36,800)
Capital contribution receivable from non-controlling interests		–	–	–	–	–	3	3
Balance at 30 June 2025		160,000	42,001	22,199	152,050	376,250	6	376,256

The notes on pages 30 to 43 form part of this interim financial report.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2025 – unaudited

(Expressed in Renminbi)

	Note	Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
Operating activities			
Profit before taxation		52,077	50,932
Adjustments for:			
Expected credit loss on trade receivables, other receivables and contract assets		4,499	3,448
Other expenses and loss		3,016	2,348
Changes in working capital:			
Increase in prepayments, trade and other receivables		(55,679)	(22,432)
Decrease/(increase) in contract assets		43,063	(22,260)
Increase in trade and other payables		1,234	32,495
(Increase)/decrease in other working capital		(2,017)	890
Cash generated from operations		46,193	45,421
Income tax paid		(15,910)	(16,572)
Net cash generated from operating activities		30,283	28,849

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2025 – unaudited
(Expressed in Renminbi)

	Note	Six months ended 30 June	
		2025 RMB'000	2024 RMB'000
Investing activities			
Payment for the purchase of property, plant and equipment		(4,287)	(1,836)
Payment for time deposit		(60,000)	–
Other cash flows arising from investing activities		959	915
Net cash used in investing activities		(63,328)	(921)
Financing activities			
Capital element of lease rentals paid		(231)	(64)
Interest element of lease rentals paid		(68)	(11)
Issuance of shares upon initial public offering, net of issuing costs paid		–	109,772
Other cash flows used in financing activities		–	(2,009)
Net cash (used in)/generated from financing activities		(299)	107,688
Net (decrease)/increase in cash and cash equivalents		(33,344)	135,616
Cash and cash equivalents at 1 January		354,668	210,210
Effect of foreign exchanges rates changes		2	259
Cash and cash equivalents at 30 June	11	321,326	346,085

The notes on pages 30 to 43 form part of this interim financial report.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

1 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard (“IAS”) 34, *Interim financial reporting*, issued by the International Accounting Standards Board (the “IASB”). It was authorised for issue on 27 August 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in Note 2.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants.

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to IAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the IASB to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim report as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The Group principally generates its revenue from the provision of property management services, urban services and commercial operation services as defined in Note 3(b).

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers and other sources by major services lines is as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by major service lines		
– Provision of property management services	140,970	134,432
– Provision of municipal sanitation services	23,288	28,589
– Provision of lighting system operation services	33,635	30,953
– Provision of commercial operation services	33,910	30,346
– Provision of landscaping and engineering services	56,399	65,394
– Provision of parking lots services	25,183	19,855
	313,385	309,569
Revenue from other sources		
Disaggregated by major services lines		
– sub-lease of parking lots	2,805	2,040
	316,190	311,609

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is disclosed in Note 3(b).

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

3 REVENUE AND SEGMENT REPORTING (Continued)

(a) Revenue (Continued)

(ii) Information about major customers

Revenue from customer contributing over 10% of the Group's revenue for the six months ended 30 June 2025 and 2024 is as follow:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Changsha Urban Development Group Co., Ltd. and its subsidiaries (excluding the Group, together, the "CSUD Group")	113,441	117,168

(b) Segment reporting

The Group manages its businesses by divisions, which are organised by services lines. In a manner consistent with the way in which information is reported internally to the Group's chief operating decision maker ("CODM") for the purpose of resource allocation and performance assessment, the Group has presented the following three reportable segments.

- Property Management Services which include management and operation services provided to commercial properties, residential properties, and public properties.
- Urban Services which include the provision of lighting system operation services, municipal sanitation services, landscaping and engineering services, parking lot operation services and sublease of parking lot.
- Commercial Operation Services which include the provision of commercial operation services such as tenant sourcing services, tenant management, rent collection services and sublease of commercial properties.

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

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.

Segment profit/loss represents gross profit/loss of each segment.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

3 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

Disaggregation of revenue from contracts with customers by timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below.

For the six months ended 30 June	Property Management				Commercial Operation		Total	
	Services		Urban Services		Services			
	2025	2024	2025	2024	2025	2024	2025	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue from external customers								
Revenue from contracts with customers within the scope of IFRS 15								
Disaggregated by timing of revenue recognition								
Point in time	2,069	1,218	-	-	1,376	793	3,445	2,011
Over time	144,959	133,214	132,447	144,791	32,534	29,553	309,940	307,558
	147,028	134,432	132,447	144,791	33,910	30,346	313,385	309,569
Revenue from other sources								
Gross rental income	-	-	2,805	2,040	-	-	2,805	2,040
	147,028	134,432	135,252	146,831	33,910	30,346	316,190	311,609
Inter-segment revenue	5,128	4,007	99	260	-	-	5,227	4,267
Reportable segment revenue	152,156	138,439	135,351	147,091	33,910	30,346	321,417	315,876
Gross profit	26,508	27,169	37,440	40,134	21,149	19,372	85,097	86,675

No segment assets and liabilities information are provided as no such information is regularly provided to CODM of the Group on making decision of resources allocation and performance assessment.

No geographical segment analysis is shown as all of the Group's revenue are derived from activities in, and from customers located in the People's Republic of China (the "PRC") and all the Group's assets are situated in the PRC.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

4 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after (crediting)/charging:

(a) Finance income

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Interest income from bank deposits	(958)	(908)
Interest income from rental deposits	(83)	–
	(1,041)	(908)

(b) Finance costs

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Interest on lease liabilities	68	11

(c) Staff costs

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Salaries, wages and other benefits	44,628	43,760
Contributions to defined contribution retirement plan	4,821	4,686
	49,449	48,446

(d) Other items

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Depreciation and amortisation		
– Property, plant and equipment	4,236	3,648
– Intangible assets	17	19
	4,253	3,667
Listing expenses	–	1,344

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

4 PROFIT BEFORE TAXATION (Continued)

(e) Expected credit loss

Expected credit losses recognised, net off reversals, during the six months ended 30 June 2025 are from items below:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Trade receivables	4,184	(976)
Contract assets	312	3,367
Others	3	1,057
	4,499	3,448

(f) Other net income

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Government grants (Note)	(145)	(275)
Net exchange loss/(gain)	2	(259)
Loss/(gain) on disposal of property, plant and equipment	29	(1)
Charge for overdue tax payment	236	2
Others	(234)	(31)
	(112)	(564)

Note: For the six months ended 30 June 2025 and 2024, the government grants received by the Group mainly related to subsidies for staff retention and amortisation of deferred income for government grants related to acquisition of non-current assets.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

5 INCOME TAX

Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Current tax – PRC Corporate Income Tax		
Provision for the period	14,623	13,449
Under/(over)-provision in respect of prior year	199	(86)
Deferred tax		
Origination and reversal of temporary differences	(1,280)	(481)
	13,542	12,882

Notes:

- (i) The Group's entities in China Mainland are subject to PRC income tax at 25%.
- (ii) Certain entities of the Group had been filed as Small Low-Profit Enterprises for previous years. The management of the Group believes that these entities will continue to qualify as Small Low-Profit Enterprises for the year ending 31 December 2025 and are subject to a preferential effective tax rate at 5% for the six months ended 30 June 2025.

6 EARNINGS PER SHARE

(a) Basic and diluted earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of RMB38,537,000 (six months ended 30 June 2024: RMB38,177,000) and the weighted average of 160,000,000 ordinary shares (2024: 129,890,110 shares) in issue during the interim period.

There were no dilutive shares during the six months ended 30 June 2025 and 2024.

7 PROPERTY, PLANT AND EQUIPMENT

(a) Acquisitions and disposals of owned assets

During the six months ended 30 June 2025, the Group acquired items of machineries and equipment with a cost of RMB4,210,000 (six months ended 30 June 2024: RMB1,836,000). Items of machineries and equipment with a net book value of RMB30,000 were disposed of during the six months ended 30 June 2025 (six months ended 30 June 2024: RMB6,000), resulting in a loss on disposal of RMB29,000 (six months ended 30 June 2024: gain on disposal of RMB1,000).

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

8 INVENTORIES

(a) Inventories in the consolidated statements of financial position comprise:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Consumables	3,474	3,680

9 CONTRACT ASSETS AND CONTRACT LIABILITIES

(a) Contract assets

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Arising from performance under lighting system operations services, municipal sanitation services and landscaping and engineering services contracts		
– related parties (Note 16(b))	147,064	162,870
– third parties	106,289	133,546
	253,353	296,416
Less: loss allowance on contract assets	(10,426)	(10,114)
	242,927	286,302

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

9 CONTRACT ASSETS AND CONTRACT LIABILITIES (Continued)

(b) Contract liabilities

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Billings in advance of performance under property management services and landscaping and engineering services contracts		
– related parties (Note 16(b))	3,990	3,186
– third parties	16,666	20,392
	20,656	23,578

Contract liabilities of the Group mainly arise from the advance payments made by customers while the underlying services are yet to be provided.

10 PREPAYMENTS, TRADE AND OTHER RECEIVABLES

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Trade receivables		
– related parties (Note 16(b))	58,050	49,377
– third parties	194,154	149,075
	252,204	198,452
Less: allowance for trade receivables	(37,209)	(33,025)
	214,995	165,427
Other receivables	9,624	9,177
Less: allowance for other receivables	(2,955)	(2,952)
	6,669	6,225
Amounts due from related parties (Note 16(b))	6,535	6,151
Bills receivable	–	204
Input value-added tax to be deducted	4,615	4,657
Prepayments	5,976	4,349
Others	168	–
	238,958	187,013

All of the prepayments, trade and other receivables are expected to be recovered or recognised as expense within one year.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

10 PREPAYMENTS, TRADE AND OTHER RECEIVABLES (Continued)

Ageing analysis

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

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Within 1 year	148,028	123,907
1 to 2 years	63,646	39,116
Over 2 years	3,321	2,404
	214,995	165,427

Trade receivables are due when the receivables are recognised.

11 CASH AND CASH EQUIVALENTS, RESTRICTED BANK DEPOSITS AND TIME DEPOSIT

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Cash at banks	384,536	359,993
Less: restricted bank deposits (Note)	(3,210)	(5,325)
time deposit over six months	(60,000)	–
	321,326	354,668

Note: The restricted bank deposits are guarantee deposits for future settlement of salary to the migrant workers of the Group or its suppliers as required by relevant laws and regulations, and guarantee deposits for performance letters issued by banks to customers.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

12 TRADE AND OTHER PAYABLES

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Trade payables		
– related parties (Note 16(b))	26,074	28,844
– third parties	282,197	299,287
	308,271	328,131
Amounts due to related parties (Note 16(b))	7,187	4,009
Accrued payroll and other benefits	23,318	29,384
Other taxes and charges payables	25,294	29,032
Deposits	60,431	63,576
Receipts on behalf of property owners and tenants	52,177	17,390
Other payables and accrued charges	4,622	8,480
Dividends payable	36,800	–
	518,100	480,002

The ageing analysis of trade payables, based on the invoice date, is as follows:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Within 1 year	245,014	279,148
1 to 2 years	47,059	40,094
Over 2 years	16,198	8,889
	308,271	328,131

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

13 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

Dividends payable to equity shareholders

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Interim dividend declared and paid after the interim period	–	–
Special dividend declared after the interim period of RMB0.22 per share	–	35,200

Dividends payable to equity shareholders attributable to the previous financial year, approved during the interim period.

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Final dividend in respect of the previous financial year, approved during the following interim period, of RMB0.23 per share (six months ended 30 June 2024: nil)	36,800	–

The final dividend of RMB36,800,000 was subsequently settled in July 2025.

14 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The carrying amounts of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair values as at 31 December 2024 and 30 June 2025.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

15 COMMITMENTS

Commitments outstanding at 30 June 2025 not provided for in the interim financial report:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Contracted for	6,497	6,562

16 MATERIAL RELATED PARTY TRANSACTIONS

The Group entered into the following material related party transactions:

(a) Related parties transactions

	Six months ended 30 June 2025 RMB'000	2024 RMB'000
Service provided to related parties		
– CSUD Group	113,441	117,168
– Associates of CSUD Group	5,917	4,497
	119,358	121,665
Purchase from related parties		
– CSUD Group	5,804	4,489
– Associates of CSUD Group	3,052	6,117
	8,856	10,606
Short-term leases payment paid or payable to related parties	52	39
Variable lease payment paid or payable to related parties	5,033	7,765
Additions of right-of-use assets	77	416

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

16 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(b) Balance with related parties

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Trade receivables (Note 10)		
– CSUD Group	54,051	45,986
– Associates of CSUD Group	3,999	3,391
	58,050	49,377
Contract assets (Note 9)		
– CSUD Group	143,686	158,312
– Associates of CSUD Group	3,378	4,558
	147,064	162,870
Other receivables (Note 10)		
– CSUD Group	6,535	6,006
– Associates of CSUD Group	–	145
	6,535	6,151
Rental deposits		
– CSUD Group	2,340	842
Trade payables (Note 12)		
– CSUD Group	19,216	20,737
– Associates of CSUD Group	2,929	4,123
– Pingxiang Huiheng Pilot Property Management Co., Ltd.	3,929	3,929
– Huaihua Hecheng District Chengtou Property Management Co., Ltd.	–	55
	26,074	28,844
Contract liabilities (Note 9)		
– CSUD Group	3,990	3,186
Lease liabilities		
– CSUD Group	107	213
Other payables (Note 12)		
– CSUD Group	6,987	3,419
– Associates of CSUD Group	47	502
– Huaihua Hecheng District Chengtou Property Management Co., Ltd.	153	88
	7,187	4,009

DEFINITIONS

In this interim report, the following expressions have the meanings set out below unless the context otherwise requires:

“Audit Committee”	the audit committee of the Board
“Auditor”	KPMG, the external auditor of the Company
“Board” or “Board of Directors”	board of directors of the Company
“Supervisory Committee”	supervisory committee of the Company which was dissolved since June 30, 2025
“CG Code”	the Corporate Governance Code as set out in of Appendix C1 to the Listing Rules
“Changsha Municipal SASAC”	State-owned Assets Supervision and Administration Commission of Changsha Municipal People’s Government (長沙市人民政府國有資產監督管理委員會)
“China” or “the PRC”	the People’s Republic of China, unless otherwise stated, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan of China herein
“CIA”	China Index Academy (中指研究院)
“Company” or “our Company” “the Company”	Hollwin Urban Operation Service Group Co., Ltd (泓盈城市運營服務集團股份有限公司) (previously known as Changsha Pilot Property Management Co., Ltd. (長沙先導物業管理有限公司))
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules and, with respect to the Company, refers to CSUDGCL, CUCID Group and Yuelushan Company, which constitute a group of Controlling Shareholders, and each a “Controlling Shareholder”
“CSUD Group”	CSUDGCL and its subsidiaries, excluding our Group
“CSUDGCL”	Changsha Urban Development Group Co., Ltd. (長沙城市發展集團有限公司), which is one of our Controlling Shareholders, was established in the PRC with limited liability on September 20, 2019 and is wholly owned by Changsha Municipal SASAC as of the date of this report

DEFINITIONS

“CUCID Group”	Changsha Urban Construction Investment and Development Group Co., Ltd. (長沙市城市建設投資開發集團有限公司), one of our Controlling Shareholders, established in the PRC with limited liability on August 18, 1998, and a wholly-owned subsidiary of CSUDGCL as of the Latest Practicable Date
“Director(s)”	director(s) of the Company
“GFA”	gross floor area
“Global Offering”	an offering of 40,000,000 H Shares, comprising a final Hong Kong public offering of 4,000,000 H Shares and a final international public offering of 36,000,000 H Shares
“Group”, “our Group”, “the Group”, “we”, “us”, or “our”	our Company and, where appropriate, its subsidiaries or, in respect of the period before the Company became the holding company of its present subsidiaries, the businesses operated by such subsidiaries or their predecessors, as the case may be
“H Share(s)”	ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars” or “HK dollars” or “HK\$” or “HK cents”	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
“IFRS”	International Financial Reporting Standards
“Independent Third Party”	a person or entity who is not considered as a connected person of our Company under the Listing Rules
“Listing”	listing of the Shares on the Main Board of the Stock Exchange
“Listing Date”	May 17, 2024, the date on which the Shares of the Company were listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
“Model Code”	the Model Code for Securities Transaction by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“Prospectus”	the prospectus of the Company dated May 8, 2024
“Reporting Period”	the six months ended June 30, 2025
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares in the capital of the Company with a nominal value of RMB1.00 each, comprising Unlisted Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	member(s) of the Supervisory Committee of the Company
“VAT”	Value-added tax
“Yuelushan Company”	Yuelushan Tourism Culture Development Co., Ltd. (岳麓山旅遊文化開發有限公司), one of our Controlling Shareholders, established in the PRC with limited liability on May 27, 2009, and a wholly-owned subsidiaries of CUCID Group as of the Latest Practicable Date
“%”	per cent