POWERLONG 宝龙商业 | 让空间有爱

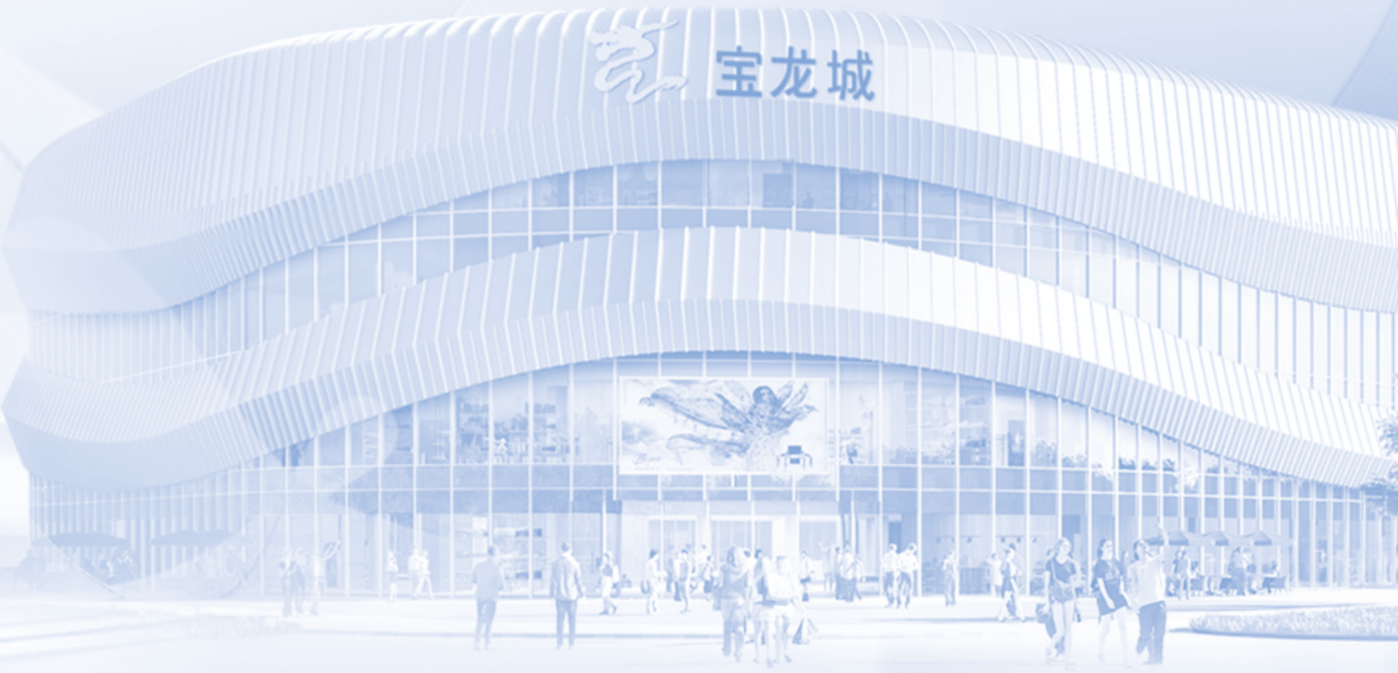
2025 INTERIM REPORT

寶龍商業管理控股有限公司
POWERLONG COMMERCIAL MANAGEMENT HOLDINGS LIMITED

(Incorporated in the Cayman Islands with Limited Liability)

Stock code: 9909.HK

Contents



Group Introduction

Powerlong Commercial Management Holdings Limited (9909.HK) (the "**Company**" or "**Powerlong CM**") and its subsidiaries (together, the "**Group**") is a leading commercial operational service provider in the People's Republic of China ("**China**" or the "**PRC**"). The Company was successfully listed (the "**Listing**") on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 30 December 2019 (the "**Listing Date**"), being the first commercial management operational service provider under an asset-light business model listed on the Stock Exchange. The Group focuses on the Yangtze River Delta region, especially city clusters with vast potentials for economic development. Based on local demand, it is committed to creating good city living.

The Group mainly provides commercial operational services under four brands, namely "Powerlong One Mall" (寶龍一城), "Powerlong City" (寶龍城), "Powerlong Plaza" (寶龍廣場) and "Powerlong Land" (寶龍天地). As at 30 June 2025, the Group had 97 retail commercial properties in operation, with an aggregate gross floor area ("**GFA**")[note] in operation of approximately 11.1 million square meters ("**sq.m.**"). As at the same date, the Group was contracted to provide commercial operational services for a total of 129 retail commercial properties with an aggregate contracted GFA of approximately 14.2 million sq.m..

The Group also provides property management services for residential properties, office buildings and serviced apartments. As at 30 June 2025, the Group was providing property management services to 128 delivered residential properties with an aggregate GFA delivered of approximately 23.7 million sq.m., and was contracted to manage 138 properties with an aggregate contracted GFA of approximately 30.1 million sq.m..

With the corporate mission of "creating space full of love", the Group adheres to its corporate philosophy of "simple, truthful, prosper together, forward forever", with a view to becoming a well-respected, century-lasting and world-leading operator of city space, thereby creating more room for value enhancement for customers and investors on an ongoing basis.

Note: Unless otherwise stated, all "GFA" of commercial properties referred to in this report include car parks.

Corporate Information

DIRECTORS

Executive Director

Mr. Hoi Wa Fong (Chairman of the Board)

Non-executive Directors

Ms. Hoi Wa Fan
Ms. Hoi Wa Lam

Independent non-executive Directors

Dr. Lu Xiongwen
Ms. Ng Yi Kum, Estella
Mr. Chan Wai Yan, Ronald

AUDIT COMMITTEE

Ms. Ng Yi Kum, Estella (Chairlady)
Mr. Chan Wai Yan, Ronald
Dr. Lu Xiongwen

REMUNERATION COMMITTEE

Dr. Lu Xiongwen (Chairman)
Mr. Hoi Wa Fong
Mr. Chan Wai Yan, Ronald

NOMINATION COMMITTEE

Mr. Hoi Wa Fong (Chairman)
Mr. Chan Wai Yan, Ronald
Dr. Lu Xiongwen
Ms. Ng Yi Kum, Estella (appointed on 26 March 2025)

COMPANY SECRETARIES

Ms. Zhang Yiting
Ms. Leung Wai Yan

AUTHORIZED REPRESENTATIVES

Ms. Hoi Wa Lam
Ms. Leung Wai Yan

REGISTERED OFFICE

Maples Corporate Services Limited
P.O. Box 309
Ugland House
Grand Cayman KY1-1104
Cayman Islands

PLACE OF BUSINESS IN HONG KONG

19/F, Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

PRINCIPAL PLACE OF BUSINESS IN THE PRC

Powerlong Tower
1399 Xinzhen Road
Minhang District
Shanghai
PRC
Postal Code: 201101

PRINCIPAL SHARE REGISTRAR

Maples Fund Services (Cayman) Limited
P.O. Box 1093
Boundary Hall
Cricket Square
Grand Cayman KY1-1102
Cayman Islands

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

PRINCIPAL BANKERS

Industrial and Commercial Bank of China Limited
Bank of Communications Co., Ltd.
Agricultural Bank of China Limited
Bank of China Limited

AUDITOR

KTC Partners CPA Limited
Certified Public Accountants
Room 1305-07, 13/F, New East Ocean Centre
9 Science Museum Road, Tsimshatsui East
Kowloon, Hong Kong

HONG KONG LEGAL ADVISOR

Sidley Austin

COMPANY'S WEBSITE

www.powerlongcm.com

Management Discussion and Analysis

OVERVIEW

The Group is a leading commercial operational service provider in the PRC. As at 30 June 2025, the Group had a total of 97 retail commercial properties in operation, with an aggregate GFA in operation of approximately 11.1 million sq.m.. The Group had a total of 129 retail commercial properties with an aggregate contracted GFA of approximately 14.2 million sq.m. for which the Group had been contracted to provide commercial operational services. The Company enjoys considerable brand recognition in the markets where it operates. The Company was awarded Leading Commercial Enterprise Award of the Year (年度商業領軍企業) by Winshang.com (贏商網) in May 2025.

The Group also provides property management services for residential properties, office buildings and serviced apartments. As at 30 June 2025, the Group delivered residential property management services to 128 projects, with an aggregate GFA delivered of approximately 23.7 million sq.m., and was contracted to manage 138 projects with an aggregate contracted GFA of approximately 30.1 million sq.m..

With the mission of "creating space full of love", the Company adheres to its corporate philosophy of "simple, truthful, prosper together, forward forever", with a view to becoming a well-respected, century-lasting and world-leading operator of city space, thereby creating more room for value enhancement for customers and investors on an ongoing basis.

BUSINESS REVIEW

For the six months ended 30 June 2025, the Company mainly conducted its business activities in the following business segments, namely (i) commercial operational services; and (ii) residential property management services. The Group's revenue is mainly derived from its commercial operational services.

Commercial operational services: The Company provides full-chain services covering positioning, tenant sourcing, opening, operation and management to shopping malls and shopping streets.

It primarily included:

(i) Market research and positioning, business tenants sourcing and opening preparation services to property developers or property owners during the preparation stage before the opening of a retail commercial property;

(ii) Commercial operation and management services to property owners or tenants during the operation stage of a retail commercial property; and

(iii) Property leasing services with respect to units located within the shopping streets and shopping malls.

Residential property management services: The Group provides property management services to residential properties, office buildings and serviced apartments.

It primarily included:

(i) Pre-sale management services to property developers during their pre-sale activities, such as cleaning, security and maintenance of pre-sale display units and sales offices;

(ii) Property management services to property owners or property owners' associations at the post-delivery stage, such as security, cleaning, gardening and repair and maintenance services; and

(iii) Other value-added services to property owners, tenants or residents of properties under management, such as pre-delivery preparation and trash handling services, common area, advertising space and car park management services.

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

	Six months ended 30 June			
	2025		2024	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	RMB'000	*%*	*RMB'000*	*%*
Commercial operational services	361,575	34.5	384,683	35.7
Residential property management services	43,706	17.3	64,676	25.3
Total	405,281	31.2	449,359	33.7

Commercial Operational Services

The Group provides professional commercial operational services to property owners, tenants and consumers mainly under four brands, namely, "Powerlong One Mall" (寶龍一城), "Powerlong City" (寶龍城), "Powerlong Plaza" (寶龍廣場) and "Powerlong Land" (寶龍天地).

For the six months ended 30 June 2025, the aggregate revenue of the Group's commercial operational services amounted to approximately RMB1,048.6 million, representing a decrease of approximately 2.6% from approximately RMB1,076.9 million for the six months ended 30 June 2024; and the Group had GFA in operation of approximately 11.1 million sq.m., representing an increase of approximately 0.3 million sq.m. from approximately 10.8 million sq.m. for the corresponding period of 2024; 97 projects in operation, remaining unchanged as compared with 97 projects for the corresponding period of 2024; contracted GFA of approximately 14.2 million sq.m., representing a decrease of approximately 0.7 million sq.m. from approximately 14.9 million sq.m. for the corresponding period of 2024.

The table below sets forth a breakdown of the contracted GFA and GFA in operation as at the dates indicated and the revenue from commercial operational services segment for the periods indicated by geographic region:

	For the six months ended 30 June					
	2025			2024		
	Contracted GFA	GFA in operation	Revenue	Contracted GFA	GFA in operation	Revenue
	sq.m.	*sq.m.*	*RMB (in thousands)*	*sq.m.*	*sq.m.*	*RMB*
Yangtze River Delta[1]	9,529	7,169	756,229	9,870	7,076	766,720
Others[2]	4,712	3,886	292,363	5,063	3,745	310,143
Total	14,241	11,055	1,048,592	14,933	10,821	1,076,863

Notes:

(1) Comprises Shanghai Municipality, Zhejiang Province, Jiangsu Province and Anhui Province.

(2) Comprises cities except those covered in (1) above.

New Projects in Operation

The Group's new retail commercial property projects in operation during the six months ended 30 June 2025 are shown in the following table:

No.	Name of project	Opening date *month-year*	City	Geographic region	Source of project	Manager	Management model	Total GFA *(sq.m)*	Shopping mall *(sq.m)*	Commercial street *(sq.m)*	Car park *(sq.m)*
Powerlong Plaza											
1	Wuyishan Powerlong Plaza (武夷山寶龍廣場)	May 2025	Nanping	Others	Powerlong Real Estate	Powerlong CM	Entrusted management	67,633	40,007	9,117	18,509
	Total							**67,633**	**40,007**	**9,117**	**18,509**

Projects for which Contracts were Terminated

The Group's retail commercial property projects for which contracts were terminated during the six months ended 30 June 2025 are shown in the following table:

No.	Name of project	Date of termination of contract *month-year*	City	Geographic region	Source of project	Management model	Total GFA *(sq.m.)*	Shopping mall *(sq.m.)*	Commercial street *(sq.m.)*	Car park *(sq.m.)*
Powerlong Plaza										
1	Wuhan Qiaokou Powerlong Plaza (武漢礄口寶龍廣場)	June 2025	Wuhan	Others	Powerlong Real Estate	Entrusted management	135,300	80,000	–	55,300
	Sub-total						**135,300**	**80,000**	**–**	**55,300**
Powerlong Xinghui										
1	Tiantai Cultural Center Powerlong Land (天台文化中心寶龍天地)	June 2025	Taizhou	Yangtze River Delta	Third Party	Entrusted management	18,227	–	18,227	–
2	Huzhou Xinyuan Powerlong Plaza (湖州鑫遠寶龍廣場)	June 2025	Huzhou	Yangtze River Delta	Third Party	Net earning sharing	80,000	60,000	–	20,000
3	Shaoxing Guchengbei (紹興古城北)	June 2025	Shaoxing	Yangtze River Delta	Third Party	Advisory consultation	61,549	–	61,549	–
	Sub-total						**159,776**	**60,000**	**79,776**	**20,000**
	Total						**295,076**	**140,000**	**79,776**	**75,300**

New Contracted Projects

New retail commercial property contracted projects during the six months ended 30 June 2025 and up to the date of this report are shown in the following table:

No.	Name of project	City	Geographic region	Manager	Management model	Expected total GFA *(sq. m.)*
From independent third parties						
1	Binjiang Zhongnan Lingyunli (濱江中南凌雲里)	Hangzhou	Yangtze River Delta	Powerlong Xinghui	Advisory consultation	20,127
	Total					**20,127**

Occupancy Rate

The table below sets forth the average occupancy rate and GFA in operation of retail commercial properties that had commenced operation as at 30 June 2025 by product category.

Product category	Average occupancy rate[(1)]		GFA in operation
	30 June 2025	31 December 2024	**as of 30 June 2025**
	%	%	*(in thousand sq. m.)*
Powerlong One Mall	**99.1**	99.1	**171**
Powerlong City	**97.8**	97.8	**574**
Powerlong Plaza	**91.2**	90.9	**8,981**
Powerlong Land	**91.0**	90.7	**557**
Powerlong Xinghui	**93.0**	93.0	**772**
Total	**91.8**	91.5	**11,055**

(1) Occupancy rate is calculated as actual leased area divided by available lease area of a retail commercial property as of the end of each relevant period based on internal record. The occupancy rate only applies to retail commercial properties for which the Group has provided tenant sourcing services and may be higher or lower in different periods within one year.

Pipeline Projects in the Second Half of 2025

The Group's retail commercial property projects planned for opening in the second half of 2025 are shown in the following table:

No.	Name of project	Opening date[1] *month-year*	City	Geographic region	Source of project	Management model	Expected total GFA *(sq.m.)*
Powerlong Plaza							
1	Nanjing Jiangning Powerlong Plaza (南京江寧寶龍廣場)	December 2025	Nanjing	Yangtze River Delta	Powerlong Real Estate	Entrusted management	146,788
2	Ningbo Jiangbei Powerlong Plaza (寧波江北寶龍廣場)	December 2025	Ningbo	Yangtze River Delta	Powerlong Real Estate	Entrusted management	109,716
3	Yuyao Powerlong Plaza (余姚寶龍廣場)	December 2025	Ningbo	Yangtze River Delta	Powerlong Real Estate	Entrusted management	65,915
	Sub-total						**322,419**
Powerlong Land							
1	Ningbo Wenchuanggang Powerlong Land (寧波文創港寶龍天地)	December 2025	Ningbo	Yangtze River Delta	Powerlong Real Estate	Entrusted management	44,900
2	Taizhou Jiaojiang Commercial Street (台州椒江商業街)	December 2025	Taizhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	20,900
	Sub-total						**65,800**
Powerlong Xinghui							
1	Huai'an Xiangyu Powerlong Land (淮安翔宇寶龍天地)	November 2025	Huai'an	Yangtze River Delta	Third Party	Advisory consultation	35,606
2	Linping Powerlong Plaza (臨平寶龍廣場)	December 2025	Hangzhou	Yangtze River Delta	Third Party	Advisory consultation	80,000
3	Binjiang Zhongnan Lingyunli (濱江中南凌雲里)	December 2025	Hangzhou	Yangtze River Delta	Third Party	Advisory consultation	20,127
	Sub-total						**135,733**
	Total						**523,952**

(1) Opening dates of all the projects are only estimated dates. Actual opening dates are subject to progress of the relevant projects.

Residential Property Management Services

For the six months ended 30 June 2025, revenue of the Group's residential property management service business segment amounted to approximately RMB252.3 million, representing a decrease of approximately 1.5% from approximately RMB256.1 million for the six months ended 30 June 2024; and the Group had GFA delivered of approximately 23.7 million sq.m., representing an increase of 0.5 million sq.m. from 23.2 million sq.m. for the corresponding period of 2024; 128 projects delivered, representing a net increase of 1 project from 127 projects for the corresponding period of 2024; contracted GFA of approximately 30.1 million sq.m., representing a decrease of approximately 1.1 million sq.m. from approximately 31.2 million sq.m. for the corresponding period of 2024.

The table below sets forth a breakdown of the contracted GFA and GFA delivered as at the dates indicated and our revenue from residential property management service segment for the periods indicated by geographic region:

	For the six months ended 30 June					
	2025			2024		
	Contracted GFA	**GFA delivered**	**Revenue**	Contracted GFA	GFA delivered	Revenue
	sq.m.	***sq.m.***	***RMB (in thousands)***	*sq.m.*	*sq.m.*	*RMB*
Yangtze River Delta[(1)]	**19,690**	**14,744**	**156,368**	20,664	13,624	174,280
Others[(2)]	**10,439**	**8,964**	**95,978**	10,543	9,581	81,799
Total	**30,129**	**23,708**	**252,346**	31,207	23,205	256,079

Notes:

(1) Comprises Shanghai Municipality, Zhejiang Province, Jiangsu Province and Anhui Province.

(2) Comprises cities except those covered in (1) above.

WORK PLAN FOR THE SECOND HALF OF 2025

Stepping into 2025, China's consumer market has shown steady growth as driven by both policy support and rebound in demand, and has become the core force driving economic recovery. In the first half of 2025, the gross domestic product (GDP) increased by 5.3% year-on-year and reached RMB66.05 trillion. Final consumption expenditure contributed 52% to the growth of GDP, firmly remaining as the main engine of economic growth. In terms of the consumption end, the total retail sales of consumer goods in the first half of 2025 increased by 5.0% year-on-year, which continued a trend of steady growth. The optimization and upgrade of the consumption structure and the significant policy-driven effect injected strong impetus into offline consumption, with sales increasing significantly in various regions.

As a leading provider of commercial operational services in China, the Group establishes sustainable competitive strengths based on its core mission of "creating space full of love" to let every commercial space become a link between people and life, brands and growth, and cities and temperature. In the first half of 2025, the Group newly opened the Wuyishan Powerlong Plaza. Being the Group's 12th commercial project opened in Fujian Province, it filled the commercial capacity gap in the city and had an occupancy rate of over 80% for first stores. With an operation mode stressing both shopping and experience, it activated the two-way cycle of "local consumption + cultural tourism economy" in Wuyishan. Looking ahead to the second half of the year, the Group will focus on the strategic direction of the "Three Major Projects" for in-depth operations, with the objective of "Quality Enhancement and Delicate Service", and will carry out core work in the following three aspects:

(I) With "operational capability-tenant sourcing capability-product capability" as the core, the three capabilities will support each other and work in synergy. As operational capability ensures continuous value increment of space, tenant sourcing capability injects premium business resources and product capability shapes differentiated experience, the three capabilities will jointly build the core competitiveness of the Group in the commercial operation field. Taking enhancement of asset value as our goal and precise positioning as the prerequisite, the Group will implement classification management for various projects and initiate asset enhancement program to comprehensively enhance the brand attractiveness and market influence of the projects and fully exploit the projects and revenue value of each business end.

(II) The Company will construct a tenant sourcing management system to empower the business with professional tenant sourcing capabilities. Projects will be categorized into four levels for occupancy rate control, with the prerequisite of adhering to the positioning and eliminating tenant sourcing for the sake of filling vacant shops. We will strengthen organizational synergies, promote the professionalization of the division of functions, improve teamwork and synergy mechanisms, and achieve resource integration, procedure visibility and quantitative results. We will strategically build a diversified and complex brand matrix with topics, innovations and experiences to enhance the value of commercial entities and strengthen the effectiveness of tenant sourcing management in an all-round way.

(III) Taking talents as the core resources, the Company will focus on building a "highly competent, strong reserve, youthful and sustainable" top-ranking team by constructing a "1+5" competency model with "cultural identity" as the core value and covering "insight, product, tenant sourcing, operation and innovation", which focus on four major management requirements of being responsible for performance, organization, team and culture. At the same time, we will strengthen the construction of the top-ranking team through mechanisms such as high-quality competitors benchmarking, training empowerment promotion, continuous attention to conditions, and personnel adaptation adjustment, so as to develop a strong talent base for the enterprise and create a commercial space that can breathe, with warmth and provide emotional value.

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2025, the Group recorded revenue of approximately RMB1,300.9 million, representing a decrease of approximately RMB32.0 million as compared with approximately RMB1,332.9 million for the six months ended 30 June 2024.

The Group's revenue indicated by business segment and type of service is as follows:

	For the six months ended 30 June			
	2025		2024	
	RMB'000	***%***	*RMB'000*	*%*
Commercial Operational Services				
Market research and positioning, business tenant sourcing, opening preparation services	**20,826**	**1.6**	42,760	3.2
Commercial operation and management services	**915,948**	**70.4**	930,562	69.8
Commercial property lease services	**111,818**	**8.6**	103,541	7.8
	1,048,592	**80.6**	1,076,863	80.8
Residential Property Management Services				
Pre-sale management services	**534**	**0.1**	875	0.1
Property management services	**202,755**	**15.5**	202,277	15.1
Other value-added services	**49,057**	**3.8**	52,927	4.0
	252,346	**19.4**	256,079	19.2
Total	**1,300,938**	**100.0**	1,332,942	100.0

Market research and positioning, business tenant sourcing and opening preparation services

The Group's market research and positioning, business tenant sourcing and opening preparation services primarily include (i) market research and positioning services; and (ii) business tenant sourcing and opening preparation services, provided to property developers or property owners before the opening of a retail commercial property.

For the six months ended 30 June 2025, the Group's revenue from market research and positioning, business tenant sourcing and opening preparation services amounted to approximately RMB20.8 million, representing a period-on-period decrease of approximately 51.3% and accounting for approximately 1.6% of the Group's total revenue.

The decrease in the revenue from market research and positioning, business tenant sourcing and opening preparation services was primarily due to the fact that the Group provided market research and positioning, business tenant sourcing and opening preparation services with respect to less retail commercial properties compared to the corresponding period in 2024.

Commercial operation and management services

The Group's commercial operation and management services primarily include (i) retail commercial property management services; (ii) tenant management and rent collection services; and (iii) other value-added services, provided to property owners or tenants.

For the six months ended 30 June 2025, the Group's revenue from commercial operation and management services amounted to approximately RMB915.9 million, representing a period-on-period decrease of approximately 1.6% and accounting for approximately 70.4% of the Group's total revenue.

The decrease in revenue from commercial operation and management services was primarily driven by the adjustment of business structure and the reduction in revenue of certain business as affected by the cycle of the real estate sector.

Commercial property lease services

The Group provides commercial property lease services with respect to units located within shopping streets and shopping malls.

For the six months ended 30 June 2025, the Group's revenue derived from commercial property lease services amounted to approximately RMB111.8 million, representing a period-on-period increase of approximately 8.0% and accounting for approximately 8.6% of the Group's total revenue.

The increase in revenue from commercial property lease services was primarily attributable to the increase in lease income of sublease projects.

Residential Property Management Services

The Group's residential property management services primarily include (i) pre-sale management services to property developers during their pre-sale activities, such as cleaning, security and maintenance services for pre-sale display units and sales offices; (ii) property management services such as security, cleaning, gardening and repair and maintenance services to property owners or property owners' associations at the post-delivery stages; and (iii) other value-added services such as pre-delivery preparation and trash handling services, common area, advertising space and car park management services to property owners, tenants or residents of the Group's managed properties.

For the six months ended 30 June 2025, the Group's revenue from residential property management services amounted to approximately RMB252.3 million, representing a period-on-period decrease of approximately 1.5% and accounting for approximately 19.4% of the Group's total revenue.

The decrease in revenue from residential property management services was primarily attributable to the decrease in revenue derived from value-added services due to the unfavourable macroeconomic environment.

Revenue indicated by type of customers is as follows:

	For the six months ended 30 June			
	2025		2024	
	RMB'000	***%***	*RMB'000*	*%*
Commercial operational services				
Fellow subsidiaries[i]	**106,720**	**8.2**	117,186	8.8
Other related parties[ii]	**4,949**	**0.4**	13,827	1.0
External customers[iii]	**936,923**	**72.0**	945,850	71.0
	1,048,592	**80.6**	1,076,863	80.8
Residential property management services				
Fellow subsidiaries[i]	**4,429**	**0.3**	13,360	1.0
Other related parties[ii]	**254**	**0.1**	2,060	0.2
External customers[iii]	**247,663**	**19.0**	240,659	18.0
	252,346	**19.4**	256,079	19.2
Total	**1,300,938**	**100.0**	1,332,942	100.0

Notes:

(i) Fellow subsidiaries represented the Remaining Powerlong Group and other entities controlled by Mr. Hoi.

(ii) Other related parties represented entities jointly controlled by the Remaining Powerlong Group.

(iii) External customers represented independent third parties.

Revenue derived from external customers represents the largest source of the Group's revenue. For the six months ended 30 June 2025, revenue derived from external customers was approximately RMB1,184.6 million, representing a decrease of approximately RMB1.9 million from approximately RMB1,186.5 million for the six months ended 30 June 2024, and accounting for approximately 91.1% of the total revenue of the Group.

Revenue indicated by geographic regions is as follows:

	For the six months ended 30 June			
	2025		2024	
	RMB'000	***%***	*RMB'000*	*%*
Commercial Operational Services				
Yangtze River Delta	**756,229**	**58.1**	766,720	57.5
Others	**292,363**	**22.5**	310,143	23.3
	1,048,592	**80.6**	1,076,863	80.8
Residential Property Management Services				
Yangtze River Delta	**156,368**	**12.0**	174,280	13.1
Others	**95,978**	**7.4**	81,799	6.1
	252,346	**19.4**	256,079	19.2
Total	**1,300,938**	**100.0**	1,332,942	100.0

For the six months ended 30 June 2025, the Group's commercial operational properties and residential management properties were primarily located in the Yangtze River Delta.

Cost of services

The cost of services primarily include: (i) staff and other labour costs; (ii) depreciation expenses; (iii) utility expenses; (iv) variable lease payments; (v) short-term lease expenditure; (vi) taxes and other levies; and (vii) other miscellaneous costs.

For the six months ended 30 June 2025, the Group's cost of services was approximately RMB895.7 million, representing a period-on-period increase of approximately 1.4%. Such increase in cost of services was in line with the Group's business expansion.

Gross profit and gross profit margin

The gross profit of the Group for the six months ended 30 June 2025 amounted to approximately RMB405.3 million, representing a period-on-period decrease of approximately 9.8%. For the six months ended 30 June 2025, the gross profit margin was 31.2%, representing a decrease of 2.5 percentage points as compared to 33.7% for the six months ended 30 June 2024.

The gross profit of commercial operational services for the six months ended 30 June 2025 amounted to approximately RMB361.6 million, representing a period-on-period decrease of approximately 6.0%. The gross profit margin of the Group's commercial operational services for the six months ended 30 June 2025 was 34.5%, representing a decrease of 1.2 percentage points as compared to 35.7% for the six months ended 30 June 2024, primarily due to the increase in revenue contribution from sublease services with relatively lower gross profit margin.

The gross profit of residential property management services for the six months ended 30 June 2025 amounted to approximately RMB43.7 million, representing a period-on-period decrease of approximately 32.4%. The gross profit margin of the Group's residential property management services for the six months ended 30 June 2025 was 17.3%, representing a decrease of 8.0 percentage points as compared to 25.3% for the six months ended 30 June 2024, primarily because of the adjustment of business structure, resulting in the decrease in the proportion of certain businesses which had higher gross profit margin but were affected by the real estate cycle.

The Group's gross profit and gross profit margin by business segments are as follows:

	For the six months ended 30 June			
	2025		2024	
	Gross profit	**Gross profit margin**	Gross profit	Gross profit margin
	RMB'000	***%***	*RMB'000*	*%*
Commercial operational services	**361,575**	**34.5**	384,683	35.7
Residential property management services	**43,706**	**17.3**	64,676	25.3
Total	**405,281**	**31.2**	449,359	33.7

Other income and other losses – net

Other income and other losses – net mainly represented the various subsidies income from local governments and the forfeited deposits from tenants due to their premature termination of contracts. For the six months ended 30 June 2025, the Group's other income and other losses – net amounted to approximately RMB96.5 million, representing a period-on-period increase of approximately 482.9%, which was mainly attributable to the derecognition of some investment properties.

Impairment losses on financial assets

The Group's impairment losses on financial assets mainly include the allowance for impairment made in respect of operating leases and trade receivables and other receivables. For the six months ended 30 June 2025, the Group's impairment losses on financial assets amounted to approximately RMB116.4 million, representing a period-on-period increase of approximately 222.4%. This was mainly because the Group performed impairment tests on the carrying amount of trade receivables and other receivables and made reasonable impairment provisions based on the principle of prudence.

Finance costs – net

The Group's finance costs – net mainly include the net of the interest expense on lease liabilities and interest income from bank deposits.

For the six months ended 30 June 2025, the Group's net finance costs amounted to approximately RMB7.7 million, as compared to the net finance costs of approximately RMB8.5 million for the corresponding period in 2024. This was mainly because of the decrease in interest income from bank deposits.

Income tax expense

The Group's income tax expense mainly comprises PRC corporate income tax. The effective income tax rate of the Group remained relatively stable at approximately 27.4% and 26.8% for the six months ended 30 June 2025 and 2024, respectively.

Profit for the period

For the six months ended 30 June 2025, the Group's profit attributable to the Shareholders was approximately RMB182.8 million, representing a decrease of approximately 6.0% as compared with approximately RMB194.5 million for the six months ended 30 June 2024.

Operating lease and trade receivables

The Group's operating lease and trade receivables primarily arose from property leasing services for units located within the shopping malls and shopping streets as well as the provision of various services under the Group's commercial operational services segment and residential property management services segment. As at 30 June 2025, the Group's operating lease and trade receivables were approximately RMB431.3 million, representing an increase of approximately 4.4% as compared with approximately RMB413.2 million as of 31 December 2024, primarily attributable to the business growth of the Group.

Trade and other payables

The Group's trade and other payables primarily represent amounts due to suppliers/subcontractors for the purchase of services and goods and amounts due to related parties, cash received on behalf of tenants or residents, deposits received from tenants or residents and others. As at 30 June 2025, the Group's trade and other payables amounted to approximately RMB1,066.7 million, representing an increase of approximately 3.7% as compared with approximately RMB1,028.9 million as of 31 December 2024. This was primarily attributable to the increase in trade payables to suppliers.

Contract liabilities

Contract liabilities mainly represent advance payments made by the customers of the Group's commercial operational services and residential property management services. As at 30 June 2025, contract liabilities amounted to approximately RMB248.3 million, representing a decrease of approximately 9.5% as compared with approximately RMB274.3 million as of 31 December 2024. This was primarily attributable to the increase in revenue recognized by the Group in relation to contract liabilities upon completion of services.

Pledge of assets

As at 30 June 2025, none of the Group's assets were pledged (31 December 2024: Nil).

Contingent liabilities

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

Gearing ratio

Gearing ratio is calculated based on total liabilities divided by total assets. As at 30 June 2025, gearing ratio of the Group was 0.44 (31 December 2024: 0.47).

Foreign exchange risk

The Group's businesses are principally conducted in RMB and exposure to foreign currency risk is minimal. As at 30 June 2025, the Group had not entered into any forward exchange contract to hedge its exposure to foreign exchange risk.

As at 30 June 2025, major non-RMB assets and liabilities of the Group were cash and bank balances denominated in United States dollars ("**US$**") and Hong Kong dollars ("**HK$**"). Fluctuation of the exchange rate of RMB against US$ and HK$ could affect the Group's results of operations. The Group closely monitors the fluctuations in exchange rate and will consider hedging its exposure to foreign exchange risk as and when appropriate.

Liquidity and capital resources

The Group has maintained stable financial condition and sufficient liquidity. As at 30 June 2025, the Group's cash and bank balances amounted to approximately RMB4,285.2 million, representing an increase of approximately 3.7% as compared with approximately RMB4,131.6 million as of 31 December 2024. This was primarily attributable to the Group's stepped up efforts in collection.

Borrowing

As at 30 June 2025, the Group did not have any interest-bearing borrowing (31 December 2024: Nil).

HUMAN RESOURCES

The Group believes that the expertise, experience and professional development of the employees contribute to the growth of the Group. The human resources department of the Company manages, trains and hires employees. As at 30 June 2025, the Group had 5,566 (31 December 2024: 5,566) employees. The total staff costs of the Group for the six months ended 30 June 2025 amounted to approximately RMB408.2 million (six months ended 30 June 2024: approximately RMB427.5 million). The Group believes in the importance of attraction, recruitment and retention of quality employees in achieving the Group's success. The Group's success depends on the Group's ability to attract, retain and motivate qualified personnel. As part of the Group's retention strategy, the Group offers employees performance-based cash bonuses and other incentives in addition to basic salaries. The Group also participates in various employee social security plans for its employees, including housing provident fund, pension, medical insurance, social insurance and unemployment insurance. In relation to staff training, the Group also provides different types of programs for its staff to improve their skills and develop their respective expertise. During the six months ended 30 June 2025, the Group did not experience any significant labour disputes or difficulty in recruiting employees.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the section headed "Use of Net Proceeds" of the Company's annual results announcement dated 26 March 2025, the Company had not authorized any plan for other material investments or acquisition of capital assets as at 30 June 2025.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Save as disclosed in this report, the Company had no significant investments, and had not conducted any material acquisition or disposal of subsidiaries, associates and joint ventures during the six months ended 30 June 2025.

Other Information

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As at 30 June 2025, the interests and short positions of our Directors or chief executives of our Company in the shares, underlying shares and debentures of our Company or its associated corporation (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as contained in Appendix C3 to the Rules Governing the Listing of Securities (the "**Listing Rules**") were as follows:

(i) Long position in shares and underlying shares of the Company

	Number of ordinary shares					
Name of Director	Personal interests	Beneficiary of a trust	Interest of a controlled corporation	Other interests	Total	Approximate percentage of holding(1)
Mr. Hoi Wa Fong	–	–	17,442,000(2)	1,500,000(3)	18,942,000	2.95%

Notes:

(1) The calculation of the percentages is based on the total number of issued shares of the Company (i.e. 642,900,000 shares) as at 30 June 2025.

(2) Huihong Management (PTC) Limited ("**Huihong Management**"), the trustee of the Huihong Trust, is wholly-owned by Mr. Hoi Wa Fong for the purpose of a share award scheme (the "**Huihong Share Award Scheme**") to be adopted at least six months after the Listing. The Huihong Share Award Scheme was adopted by Huihong Management on 31 December 2020. Further details are set out in the announcement of the Company dated 31 December 2020. By virtue of the SFO, Mr. Hoi Wa Fong is deemed to be interested in the shares held by Huihong Management.

(3) These shares are held by Sky Infinity Holdings Limited, which is wholly-owned by Sky Infinity Family Limited, which is in turn 100% owned by TMF (Cayman) Ltd. in its capacity as the trustee of the Sky Infinity Trust, a discretionary trust of which Mr. Hoi Wa Fong is the settlor. Pursuant to the SFO, Mr. Hoi Wa Fong is deemed to be interested in the shares held under the Sky Infinity Trust.

(ii) Long position in shares of associated corporations

Name of Director	Name of associated corporation	Number of ordinary shares					
		Personal interests	Interests of spouse	Interests of a controlled corporation	Other interests	Total	Approximate percentage of holding[(1)]
Mr. Hoi Wa Fong	Powerlong Real Estate Holdings Limited ("**Powerlong Holdings**")	–	503,400[(2)]	–	597,568,000[(3)]	598,071,400	14.44%
Ms. Hoi Wa Fan	Powerlong Holdings	61,470,000	–	226,623,000[(4)]	–	288,093,000	6.96%

Notes:

(1) The calculation of the percentages is based on the total number of issued shares of Powerlong Holdings (i.e. 4,140,403,000 shares) as at 30 June 2025.

(2) These shares are held by Ms. Shih Sze Ni Cecilia, the spouse of Mr. Hoi Wa Fong.

(3) These shares are held by Sky Infinity Holdings Limited, which is wholly-owned by Sky Infinity Family Limited, which is in turn 100% owned by TMF (Cayman) Ltd. in its capacity as the trustee of the Sky Infinity Trust, a discretionary trust of which Mr. Hoi Wa Fong is the settlor. Pursuant to the SFO, Mr. Hoi Wa Fong is deemed to be interested in the shares held under the Sky Infinity Trust.

(4) These shares are held by Walong Holdings Limited and Mantong (HK) Trading Co., Ltd, which are wholly and beneficially owned by Ms. Hoi Wa Fan.

Save as disclosed above, as at 30 June 2025, none of the Directors or the chief executives of the Company had, or were 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) which (a) were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or (b) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

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

As at 30 June 2025, so far as the Directors are aware, the following persons (other than the Directors or chief executives of the Company) and companies had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

(i) Long position in shares of the Company

Name of Shareholder	Capacity/Nature of interest	Number of ordinary shares	Approximate percentage of holding[1]
Mr. Hoi Kin Hong[2]	Settlor of a discretionary trust	405,000,000	63.00%
Powerlong Real Estate (BVI) Holdings Limited ("**Powerlong BVI Holding**")[2]	Beneficial owner	405,000,000	63.00%
Powerlong Holdings[2]	Interest in a controlled corporation	405,000,000	63.00%
Skylong Holdings Limited[2]	Interest in a controlled corporation	405,000,000	63.00%
Skylong Family Limited[2]	Interest in a controlled corporation	405,000,000	63.00%
TMF (Cayman) Ltd.[2]	Trustee	405,000,000	63.00%
Ms. Wong Lai Chan[3]	Interest of spouse	405,000,000	63.00%

Notes:

1. The calculation of the percentages is based on the total number of 642,900,000 Shares in issue as at 30 June 2025.

2. Powerlong BVI Holding is wholly-owned by Powerlong Holdings, which is in turn owned as to approximately 44.15% by Skylong Holdings Limited, a company wholly-owned by Mr. Hoi Kin Hong, which is wholly-owned by Skylong Family Limited, which is in turn wholly-owned by TMF (Cayman) Ltd. in its capacity as the trustee of The Skylong Trust, a discretionary trust of which Mr. Hoi Kin Hong is the settlor. By virtue of the SFO, each of Powerlong Holdings, Skylong Holdings Limited, Skylong Family Limited, TMF (Cayman) Ltd. and Mr. Hoi Kin Hong is deemed to be interested in the same number of shares in which Powerlong BVI Holding is interested in.

3. Ms. Wong Lai Chan is the spouse of Mr. Hoi Kin Hong. By virtue of the SFO, Ms. Wong Lai Chan is deemed to be interested in the shares held by Mr. Hoi Kin Hong.

INTERIM DIVIDEND

At the Board meeting held on 28 August 2025, the Board did not recommend the payment of an interim dividend for the six months ended 30 June 2025 (30 June 2024: nil).

SHARE AWARD SCHEME

On 10 September 2020, the Board has resolved to adopt a share award scheme (the "**Share Award Scheme**"). A summary of the major terms is set out below:

Purposes and Objectives

1. to recognise and motivate the contributions by certain eligible participants and to give incentives thereto in order to retain them for the continual operation and development of the Group;

2. to attract suitable personnel for further development of the Group; and

3. to provide certain eligible participants with a direct economic interest in attaining a long-term relationship between the Group and certain eligible participants.

Eligible Participants

The eligible participants of the Share Award Scheme (the "**Eligible Participants**") include the following classes of persons:

(a) any employee of the Group;

(b) any non-executive directors (including independent non-executive directors) of the Company, any subsidiary or any entity in which any member of the Group holds any equity interest;

(c) any adviser (professional or otherwise), consultant to or expert in any area of business or business development of any member of the Group or any entity in which any member of the Group holds any equity interest; and

(d) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group.

Administration

The Share Award Scheme shall be subject to the administration of the Board. In the event that a selected participant or his/her associate is a member of the Board, such person will abstain from voting on any approval by the Board of an award of Shares to such selected participant. The Board may, by passing resolutions, appoint any one or more senior management of the Company as authorised representative(s) to give instructions or notices to Tricor Trust (Hong Kong) Limited (the "**Trustee**") on all matters in connection with the Scheme and other matters in the routine administration of the trust constituted by the trust deed which establishes the Share Award Scheme (the "**Trust Deed**").

The Trustee will hold the Shares and the income derived therefrom in accordance with the rules of the Share Award Scheme (the "**Scheme Rules**") and subject to the terms of the Trust Deed.

Duration

Subject to any early termination as may be determined by the Board pursuant to the Scheme Rules, the Share Award Scheme shall be valid and effective for a term of 10 years commencing on 10 September 2020. The Share Award Scheme has a remaining term of approximately 5 years as at the date of this report.

Maximum Limit

The Board shall not make any further grant of award of Shares under the Share Award Scheme such that the total number of Shares granted under the Share Award Scheme will exceed 5% of the total number of issued Shares as at 10 September 2020 (being 31,075,000 shares, representing approximately 4.83% of the issued share capital of the Company as at the date of this report).

The Board shall not instruct the Trustee to subscribe for and/or purchase any Shares for the purpose of the Share Award Scheme when such subscription and/or purchase will exceed 5% of the total number of issued Shares as at 10 September 2020.

There is no maximum entitlement to each awardee.

Other Information

Operation

Pursuant to the terms of the Share Award Scheme, the Board may, from time to time, at its absolute discretion select any Eligible Participant(s) for participation in the Share Award Scheme as a selected participant and determine the number of Shares to be awarded. The Trustee shall purchase from the open market or subscribe for the relevant number of Shares awarded and shall hold such Shares until they are vested in accordance with the terms of the Share Award Scheme.

Share Awards to Directors and/or Connected Persons

Shares may be awarded to Eligible Participants, including the directors of the Company and/or its subsidiaries and/or connected persons of the Company. If Shares are awarded to any director of the Company and/or its subsidiaries and/or connected persons of the Company, such award may constitute connected transactions under Chapter 14A of the Listing Rules and the Company shall comply with the relevant requirements under the Listing Rules where appropriate.

Movement of Share Awards

On 24 November 2020, as the grant date, the Company resolved to award (the "**Award**") an aggregate of 11,250,000 awarded shares ("**Awarded Shares**") to Mr. Chen Deli. Such Awarded Shares were issued to the Trustee and held on trust for Mr. Chen Deli pursuant to the terms of the Trust Deed. The Awarded Shares shall be vested in two tranches: (1) 50% of the Awarded Shares shall be vested on 1 June 2023; and (2) 50% of the Awarded Shares shall be vested on 1 June 2025. These Awarded Shares shall be transferred at no consideration to Mr. Chen Deli after the relevant vesting conditions are fulfilled.

Further details of the Share Award Scheme and the Award are set out in the announcement of the Company dated 10 September 2020 and the circular of the Company dated 6 November 2020.

On 1 June 2023, 50% of the Awarded Shares (being 5,625,000 Shares) were vested in and transferred to Mr. Chen Deli at no consideration.

As Mr. Chen Deli resigned as executive Director and the chief executive officer of the Company (the "**CEO**") and ceased to hold any position in the Group with effect from 1 November 2024, the remaining 50% of the Awarded Shares (being 5,625,000 Shares) did not vest in him and the Award thereof automatically lapsed on the same date. As there was no immediate plan to grant any further award of Shares to any Eligible Participants under the Share Award Scheme, the Company has instructed the Trustee to complete the sale of unvested Awarded Shares on the open market. As of the date of this report, the Trustee did not hold any shares.

For the six months ended 30 June 2025, no awarded shares had been awarded, vested, cancelled or lapsed under the Share Award Scheme.

As at 1 January 2025 and 30 June 2025, the number of Shares available for future grants under the Share Award Scheme was 25,450,000 shares, representing approximately 3.96% of the Company's issued share capital as at such dates. There is no service provider sublimit under the Share Award Scheme.

As no Awarded Shares were granted by the Company under the Share Award Scheme during the six months ended 30 June 2025 (the "**Reporting Period**"), the disclosure requirements under Rules 17.07(1)(c) and 17.07(3) of the Listing Rules are not applicable to the Company for the purpose of this report.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to the establishment of good corporate governance practices and procedures with a view to enhancing investors' confidence in the Company and the Company's accountability. The Company therefore strives to attain and maintain effective corporate governance practices and procedures.

The Company has adopted the principles and code provisions of Part 2 of the Corporate Governance Code (the "**CG Code**") set out in Appendix C1 to the Listing Rules as the basis of the Company's corporate governance practices, and the CG Code has been applicable to the Company with effect from the Listing Date.

The Directors are of the view that the Company had complied with all the applicable code provisions set out in Part 2 of the CG Code during the Reporting Period, except for the deviation from the code provisions C.1.7 and C.2.1 of the CG Code.

As stipulated in code provision C.1.7 of the CG Code, an issuer should arrange appropriate insurance cover in respect of legal action against its directors. The director liability insurance taken out by the Company for the Directors has lapsed on 1 April 2025. Despite reasonable efforts, the Company has yet to identify a suitable director liability insurance policy with reasonable premium while providing adequate cover to the Directors. The Company will continue to seek appropriate insurance cover in this regard.

As stipulated in code provision C.2.1 of the CG Code, the roles of chairman and the chief executive should be separate and should not be performed by the same individual. Following the resignation of Mr. Chen Deli, who was the CEO, on 1 November 2024 and the appointment of Mr. Hoi Wa Fong as the CEO on the same day, Mr. Hoi Wa Fong acted as both the Chairman and CEO until his stepping down as the CEO on 21 January 2025.

On 21 January 2025, Mr. Xu Meng was appointed as the CEO, and Mr. Hoi Wa Fong stepped down from such role. Mr. Hoi Wa Fong has continued to act as the Chairman and an executive Director after ceasing to act as the CEO.

Following the above change, the Company has re-complied with code provision C.2.1 pursuant to which the roles of the Chairman and the CEO are held by Mr. Hoi Wa Fong and Mr. Xu Meng, respectively.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the code for dealing in securities of the Company by the Directors. Having made specific enquiry by the Company to all the Directors, the Directors confirmed that they were in compliance with the required standard as set out in the Model Code during the Reporting Period. Relevant employees who are likely to be in possession of unpublished inside information of the Group are also subject to compliance with written guidelines on no less exacting terms than the Model Code throughout the Reporting Period.

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

Neither the Company nor any member of the Group purchased, sold or redeemed any of the Company's shares (including sale of treasury shares) during the Reporting Period. As at 30 June 2025, the Company did not hold any treasury shares.

USE OF NET PROCEEDS

(i) Use of Net Proceeds from Initial Public Offering and Over Allotment

The Company was listed on the main board of the Stock Exchange on 30 December 2019. The net proceeds from the Listing was approximately HK$1,380.5 million (equivalent to approximately RMB1,236.9 million). On 22 January 2020, the Company exercised the over-allotment option and issued 22,500,000 shares at a price of HK$9.5 per share. Discounting the transaction costs attributable to the exercise of the over-allotment option, net proceeds from the over-allotment amounted to approximately HK$208.0 million (equivalent to approximately RMB184.6 million). The Company intends to apply the proceeds from the over-allotment in proportion to the use of proceeds stated in the prospectus of the Company dated 16 December 2019 (the "**Prospectus**"). The net proceeds from the initial public offering and the over allotment amounted to approximately HK$1,588.5 million (the "**Net IPO Proceeds**").

As set out in the Prospectus, the Company intended to use such proceeds for the purposes as follows: (i) approximately 50% of the proceeds will be used to pursue strategic acquisitions of other small to medium-sized commercial operational service providers in order to scale up its commercial operational service business and expand its commercial operational service portfolio; (ii) approximately 25% of the proceeds will be used to upgrade its information technology systems for digitization and smart operation and management, aiming to enhance consumer experience, improve the quality of services provided to the Group's tenants and improve operational efficiency; (iii) approximately 10% of the proceeds will be used to make equity investment in certain tenants with an aim of establishing close strategic cooperation with them; (iv) approximately 5% of the proceeds will be used for the renovation of retail commercial properties developed or owned by independent third parties under the asset-light business model; and (v) approximately 10% of the proceeds will be used for general business purpose and as working capital of the Group.

On 30 June 2023, the Company revised the use of the unutilised Net IPO Proceeds. For details, please refer to the Company's announcement dated 30 June 2023.

As at 30 June 2025, the use of the Net IPO Proceeds together with the expected timeline of use are as follows:

	Intended use of the Net IPO Proceeds as stated in the Prospectus	Intended use of the Net IPO Proceeds subsequent to re-allocation	Unutilised Net IPO Proceeds as at 1 January 2025	Actual use of the Net IPO Proceeds during the six months ended 30 June 2025	Unutilised Net IPO Proceeds as at 30 June 2025	Expected timetable
	HK$ million	HK$ million	HK$ million	HK$ million	HK$ million	
(i) Pursue strategic acquisition of and investment in other commercial operational service providers	794.3	238.3	202.0	–	202.0	On or before 31 December 2026
(ii) Upgrade the information technology systems	397.1	238.3	150.6	0.8	149.8	On or before 31 December 2026
(iii) Make equity investment in certain tenants and suppliers	158.8	158.8	85.4	–	85.4	On or before 31 December 2026
(iv) Renovation of retail commercial properties developed or owned by independent third parties	79.5	79.5	45.4	0.2	45.2	On or before 31 December 2026
(v) General business purpose and working capital	158.8	158.8	–	–	–	–
(vi) Rental expenses for properties under sub-lease services model	–	714.8	643.3	19.6	623.7	On or before 31 December 2026
Total	**1,588.5**	**1,588.5**	**1,126.7**	**20.6**	**1,106.1**	

The expected timeline for the unutilised Net IPO Proceeds is based on the Directors' best estimation barring unforeseen circumstances, and would be subject to change based on the future development of the Group's business and the market conditions.

As at 30 June 2025, the remaining Net IPO Proceeds that had not yet been utilised were deposited into licensed banks in Hong Kong and mainland China.

(ii) Use of Net Proceeds from Subscription

Reference is made to the proceeds of approximately HK$273.4 million (the "**Subscription Proceeds**") from the subscription of 11,250,000 new shares of the Company by Mr. Chen Deli, details of which are set out in the Company's announcement dated 10 September 2020 and the Company's circular dated 6 November 2020.

On 30 June 2023, the Company revised the use of the unutilised Subscription Proceeds. For details, please refer to the Company's announcement dated 30 June 2023.

The following table sets forth the status of use of Subscription Proceeds as at 30 June 2025 together with the expected timeline of use:

	Original allocation of the Subscription Proceeds	Planned use of the Subscription Proceeds after re-allocation	Unutilised Subscription Proceeds as at 1 January 2025	Actual use of the Subscription Proceeds during the six months ended 30 June 2025	Unutilised Subscription Proceeds as at 30 June 2025	Expected timetable
	HK$ million	HK$ million	HK$ million	HK$ million	HK$ million	
(i) Personnel expansion: attract and recruit additional management personnel to the Group's projects and headquarters	82.0	82.0	–	–	–	–
(ii) Property leasing business: develop three leasing projects, namely Shaoxing Keqiao Powerlong Plaza (紹興柯橋寶龍廣場), Hangzhou Qingshan Lake Powerlong Plaza (杭州青山湖寶龍廣場) and Taizhou Duqiao Powerlong Plaza (台州杜橋寶龍廣場)	109.4	109.4	67.4	18.9	48.5	On or before 31 December 2026
(iii) IT infrastructure enhancement: create the "Precise Consumer Traffic System" which uses face recognition technology instead of traditional sensors to achieve accurate data collection and perform precise analysis on consumer traffic statistics	82.0	–	–	–	–	–
(iv) Upgrade the information technology systems	–	82.0	82.0	–	82.0	On or before 31 December 2026
Total	**273.4**	**273.4**	**149.4**	**18.9**	**130.5**	

The expected timeline for the unutilised Subscription Proceeds is based on the Directors' best estimation barring unforeseen circumstances, and would be subject to change based on the future development of the Group's business and the market conditions.

As at 30 June 2025, the unutilised Subscription Proceeds were deposited into licensed banks in Hong Kong and mainland China.

CHANGES IN THE DIRECTORS' INFORMATION

With effect from 21 January 2025, Mr. Hoi Wa Fong, an executive Director and the chairman of the Board, has ceased to act as the CEO of the Company. On the same day, Mr. Xu Meng has been appointed as the CEO of the Company.

Save as disclosed above, there was no change in any information of each Director that is required to be disclosed under Rule 13.51B(1) of the Listing Rules since the publication of the annual report 2024 of the Company.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

The Company did not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules during the six months ended 30 June 2025.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. The primary duties of the audit committee include, but not limited to (i) review and supervise the financial reporting process and internal control system of the Group, risk management and internal audit; (ii) provide advice and comments to the Board; and (iii) perform other duties and responsibilities as may be assigned by the Board.

The audit committee of the Company (the "**Audit Committee**") consists of three independent non-executive Directors, namely Ms. Ng Yi Kum, Estella, Mr. Chan Wai Yan, Ronald and Dr. Lu Xiongwen. Ms. Ng Yi Kum, Estella is the chairlady of the Audit Committee. Among them, Ms. Ng Yi Kum, Estella has the appropriate professional qualifications as required under Rule 3.10(2) of the Listing Rules.

The Audit Committee has reviewed the interim report for the six months ended 30 June 2025 in conjunction with the Company's management. The Audit Committee has no disagreement with the accounting treatment adopted by the Company.

OTHER BOARD COMMITTEES

In addition to the Audit Committee, the Company has also established a nomination committee and a remuneration committee.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

As set out in the Company's announcements dated 7 March 2025, 26 March 2025, 13 May 2025 and 14 July 2025, respectively, a liquidation application has been filed in a British Virgin Islands court against Powerlong BVI Holdings, the direct holding company of the Company. The hearing date of the liquidation application has been further adjourned to 17 November 2025 (or the next available date before 4 December 2025). The Company will closely monitor the development in relation to the liquidation application.

Save as disclosed above, the Group did not have any material events subsequent to the Reporting Period up to the date of this report.

On behalf of the Board

HOI Wa Fong
Chairman

Hong Kong, 28 August 2025

Report on Review of Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

To the Board of Directors of Powerlong Commercial Management Holdings Limited
(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim condensed consolidated financial information set out on pages 29 to 60, which comprises the interim condensed consolidated statement of financial position of Powerlong Commercial Management Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") as at 30 June 2025 and the interim condensed consolidated statement of profit or loss and other comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim condensed consolidated financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial information of the Group is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

KTC Partners CPA Limited
Certified Public Accountants (Practising)
Chow Yiu Wah, Joseph
Audit Engagement Director
Practising Certificate Number: P04686

Hong Kong, 28 August 2025

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

	Notes	Six months ended 30 June 2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Revenue	6	**1,300,938**	1,332,942
Cost of services		**(895,657)**	(883,583)
Gross profit		**405,281**	449,359
Selling and marketing expenses		**(43,881)**	(53,757)
Administrative expenses		**(92,273)**	(96,149)
Other income and other losses – net	9	**96,514**	16,557
Impairment losses on financial assets		**(116,393)**	(36,102)
Fair value gains on financial asset – net		**4**	583
Operating profit		**249,252**	280,491
Finance costs	10	**(28,577)**	(35,413)
Finance income	10	**20,866**	26,941
Finance costs – net	10	**(7,711)**	(8,472)
Share of results of joint ventures		**(172)**	(39)
Share of results of associates		**1,160**	1,375
Profit before income tax		**242,529**	273,355
Income tax expenses	11	**(66,465)**	(73,353)
Profit and total comprehensive income for the period		**176,064**	200,002
Profit and total comprehensive income attributable to:			
– Shareholders of the Company		**182,806**	194,505
– Non-controlling interests		**(6,742)**	5,497
		176,064	200,002
Earnings per share for profit attributable to shareholders of the Company for the period (expressed in RMB cents per share)			
– Basic and diluted earnings per share	12	**28.43**	30.63

The above interim condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Financial Position

	Notes	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Assets			
Non-current assets			
Property and equipment	13	**42,603**	45,307
Financial assets at fair value through profit or loss		**6,965**	9,261
Investment properties	14	**813,917**	972,085
Intangible assets		**3,032**	4,281
Goodwill	15	**20,640**	20,640
Deferred income tax assets		**170,224**	158,198
Investments in joint ventures		**635**	807
Investments in associates		**52,019**	50,859
		1,110,035	1,261,438
Current assets			
Inventories		**9,069**	10,620
Operating lease and trade receivables	16	**431,266**	413,173
Prepayments and other receivables	17	**185,308**	223,583
Current income tax recoverables		**150**	134
Cash and bank balances	18	**4,285,213**	4,131,562
		4,911,006	4,779,072
Total assets		**6,021,041**	6,040,510
Equity			
Share capital and share premium	19	**1,014,085**	1,004,400
Other reserves	20	**23,617**	29,869
Retained earnings		**2,364,705**	2,181,899
Capital and reserves attributable to shareholders of the Company		**3,402,407**	3,216,168
Non-controlling interests		**(7,791)**	8,640
Total equity		**3,394,616**	3,224,808

Interim Condensed Consolidated Statement of Financial Position

	Notes	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Liabilities			
Non-current liabilities			
Deferred income tax liabilities		623	722
Lease liabilities	22	947,150	1,187,789
		947,773	1,188,511
Current liabilities			
Trade and other payables	23	1,066,706	1,028,913
Advances from lessees		41,312	37,828
Current income tax liabilities		239,680	203,259
Lease liabilities	22	82,640	82,909
Contract liabilities	6(b)	248,314	274,282
		1,678,652	1,627,191
Total liabilities		2,626,425	2,815,702
Total equity and liabilities		6,021,041	6,040,510

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

The interim financial information on pages 29 to 60 were approved by the board of directors of the Company on 28 August 2025 and were signed on its behalf.

Hoi Wa Fong
Director

Hoi Wa Lam
Director

Interim Condensed Consolidated Statement of Changes in Equity

		Attributable to owners of the Company							
	Note	Share capital RMB'000 (Note 19)	Share premium RMB'000 (Note 19)	Shares held for shares award scheme RMB'000 (Note 19)	Other reserves RMB'000 (Note 20)	Retained earnings RMB'000	Subtotal RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Six months ended 30 June 2025 (Unaudited)									
Balance as at 1 January 2025		**5,747**	**998,653**	**–**	**29,869**	**2,181,899**	**3,216,168**	**8,640**	**3,224,808**
Comprehensive income									
Profit for the period		**–**	**–**	**–**	**–**	**182,806**	**182,806**	**(6,742)**	**176,064**
Total comprehensive income		**–**	**–**	**–**	**–**	**182,806**	**182,806**	**(6,742)**	**176,064**
Transactions with owners									
– Derecognition of non-controlling interests on disposal of subsidiary		**–**	**–**	**–**	**–**	**–**	**–**	**(1,069)**	**(1,069)**
– Shares Award Scheme – value of employee service	20	**–**	**–**	**–**	**3,433**	**–**	**3,433**	**–**	**3,433**
– Dividends		**–**	**–**	**–**	**–**	**–**	**–**	**(8,620)**	**(8,620)**
– Vesting of awarded shares		**–**	**9,685**	**–**	**(9,685)**	**–**	**–**	**–**	**–**
Total transactions with owners		**–**	**9,685**	**–**	**(6,252)**	**–**	**3,433**	**(9,689)**	**(6,256)**
Balance at 30 June 2025 (Unaudited)		**5,747**	**1,008,338**	**–**	**23,617**	**2,364,705**	**3,402,407**	**(7,791)**	**3,394,616**
Six months ended 30 June 2024 (Unaudited)									
Balance as at 1 January 2024		5,747	961,459	(44)	120,223	1,965,883	3,053,268	4,271	3,057,539
Comprehensive income									
Profit for the period		–	–	–	–	194,505	194,505	5,497	200,002
Total comprehensive income		–	–	–	–	194,505	194,505	5,497	200,002
Transactions with owners									
– Shares Award Scheme – value of employee service	20	–	–	–	11,691	–	11,691	–	11,691
– Vesting of awarded shares		–	25,173	–	(25,173)	–	–	–	–
Total transactions with owners		–	25,173	–	(13,482)	–	11,691	–	11,691
Balance at 30 June 2024 (Unaudited)		5,747	986,632	(44)	106,741	2,160,388	3,259,464	9,768	3,269,232

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

Interim Condensed Consolidated Statement of Cash Flows

	Note	Six months ended 30 June 2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Cash flows of operating activities			
Cash generated from operations		**264,490**	233,709
PRC corporate income tax paid		**(42,185)**	(88,265)
Net cash generated from operating activities		**222,305**	145,444
Cash flows of investing activities			
Purchases of property and equipment	13	**(3,159)**	(8,479)
Net proceeds from disposals of property and equipment	13	**852**	228
Purchases of intangible assets		**–**	(166)
Net proceeds from disposals of intangible assets		**4**	–
Purchases of Investment properties		**(14,662)**	–
Investment in an associate		**–**	6,834
Deposit paid for the exclusive sales agency rights		**(6,561)**	(6,408)
Net proceeds from disposals of financial assets at fair value through profit or loss		**2,300**	–
Net cash used in investing activities		**(21,226)**	(7,991)
Cash flows of financing activities			
Dividends paid		**(265)**	–
Payments of principal and interest elements of lease	22(b)	**(49,999)**	(51,599)
Net cash used in financing activities		**(50,264)**	(51,599)
Increase in cash and cash equivalents		**150,815**	85,854
Cash and cash equivalents at beginning of the period		**4,116,404**	3,866,722
Foreign exchanges on cash and cash equivalents	9	**(322)**	187
Cash and cash equivalents at end of the period	18	**4,266,897**	3,952,763

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

Notes to the Interim Condensed Consolidated Financial Information

1 GENERAL INFORMATION

Powerlong Commercial Management Holdings Limited (the "**Company**") was established in the Cayman Islands on 25 March 2019 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company and its subsidiaries (the "**Group**") are primarily engaged in the operating rights to the holding of investment properties to generate rental income and the provision of commercial operational services and residential property management services in the People's Republic of China (the "**PRC**").

The Company was listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 30 December 2019.

The Company's direct holding company is Powerlong Real Estate (BVI) Holdings Limited. The Company's indirect holding company is Powerlong Real Estate Holdings Limited ("**Powerlong Holdings**") whose shares have been listed on the Main Board of the Stock Exchange since 14 October 2009. As at 30 June 2025, Mr. Hoi Kin Hong ("**Mr. Hoi**") held approximate 44.15% of interests in the issued share capital of Powerlong Holdings. In the opinion of the directors of the Company, the ultimate holding company of the Group is Skylong Holdings Limited and the ultimate controlling party of the Group is Mr. Hoi.

Powerlong Holdings and its subsidiaries exclusive of the Group are collectively referred to as the "**Remaining Powerlong Group**" in this interim financial information.

The unaudited condensed consolidated interim financial information is presented in thousand Renminbi ("**RMB'000**"), unless otherwise stated. The interim financial information has been approved for issue by the board of directors (the "**Board**") of the Company on 28 August 2025.

The interim financial information has not been audited.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting".

The unaudited condensed consolidated interim financial information does not include all the notes of the type normally included in an annual financial report. Accordingly, the unaudited condensed consolidated interim financial information should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2024 and any public announcement made by the Company during the interim reporting period.

Except as described below, the accounting policies and methods of computation used in the interim condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those set out in the Group's annual financial statements for the year ended 31 December 2024.

In the current interim period, the Group has adopted the following amended Hong Kong Financial Reporting Standards ("**HKFRSs**") for the first time, which are mandatory effective for the Group's annual period beginning on 1 January 2025 for the preparation of the Group's interim condensed consolidated financial statements.

(a) Amended standards adopted by the Group

- Amendments to HKAS 21 Lack of Exchangeability

The application of the amendments to HKFRSs in the current interim period 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 interim condensed consolidated financial statements.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

(b) New and amendments, standards, interpretations issued that are not yet effective, but may be adopted early

The following new standards and amendments and interpretation to standards have been published that are not mandatory for the year beginning on 1 January 2025 and have not been early adopted by the Group:

		Effective for annual periods beginning on or after
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to HK-Int 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	No mandatory effective date yet determined but available for adoption

The Group is in the process of assessing the potential impact of the new and amendments to HKFRSs but are not yet in a position to determine whether the new and amendments to HKFRSs will have a material impact on the Group's performance and financial position and on the disclosures. The new and amendments to HKFRSs may result in changes to how the Group's performance and financial position are prepared and presented in the future.

3 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

The interim financial information does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2024.

There have been no changes in the risk management department or in any risk management policies since 31 December 2024.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT

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

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

5 SEGMENT INFORMATION

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

The Group has two business segments:

– **Commercial operational services**

The Group is engaged in (a) the provision of market research and positioning, business tenant sourcing and opening preparation services; (b) commercial operational services during the operation stage, including business tenant management, rent collection services and other value-added services (mainly including car parks, common areas and advertising space management services); and (c) commercial property management services including security, gardening, cleaning, repair and maintenance services.

Besides, to maximise its commercial operational efficiency, the Group leased certain retail commercial properties nearby the shopping malls under management by the Group, and sub-leased them for long-term rental yield.

– **Residential property management services**

The Group provides residential property management services of residential properties, serviced apartments and office building, including pre-sale management services and other value-added services to property developers, property owners and residents.

As the CODM considers most of the Group's consolidated revenue and results are attributable to the market in the PRC and the Group's consolidated non-current assets are substantially located in the PRC, no geographical information is presented.

5 SEGMENT INFORMATION (CONTINUED)

(a) Segment results represent the profit earned by each segment without other income and other losses – net, unallocated operating costs, finance costs – net, share of results of joint ventures and associates and income tax expenses. Revenue recognised at a point in time from contracts with customers represents revenue from market research and positioning services. Other revenue from contracts with customers is recognised over time. The following is the analysis of the Group's revenue and results by operating and reportable segments:

For the six months ended 30 June 2025 (Unaudited)

	Commercial operational services RMB'000	Residential property management services RMB'000	Group RMB'000
Gross segment revenue	1,048,592	252,346	1,300,938
Revenue from contracts with customers	936,774	252,346	1,189,120
– at a point in time	15,404	–	15,404
– over time	921,370	252,346	1,173,716
Revenue from other sources			
– rental income	111,818	–	111,818
Segment results	153,767	34,027	187,794
Other income and other losses – net			96,514
Unallocated operating costs			(35,056)
Interest expense			(28,577)
Interest income			20,866
Share of results of joint ventures			(172)
Share of results of associates			1,160
Profit before income tax			242,529
Income tax expenses			(66,465)
Profit for the period			176,064
Amounts included in the measure of segment results:			
Depreciation and amortisation	44,705	1,080	45,785
Impairment losses on financial assets	79,566	36,827	116,393

5 SEGMENT INFORMATION (CONTINUED)

(a) (continued)

For the six months ended 30 June 2024 (Unaudited)

	Commercial operational services RMB'000	Residential property management services RMB'000	Group RMB'000
Gross segment revenue	1,076,863	256,079	1,332,942
Revenue from contracts with customers	973,322	256,079	1,229,401
– at a point in time	20,931	–	20,931
– over time	952,391	256,079	1,208,470
Revenue from other sources			
– rental income	103,541	–	103,541
Segment results	221,624	45,406	267,030
Other income and other losses – net			16,557
Unallocated operating costs			(3,096)
Interest expense			(35,413)
Interest income			26,941
Share of results of joint ventures			(39)
Share of results of associates			1,375
Profit before income tax			273,355
Income tax expenses			(73,353)
Profit for the period			200,002
Amounts included in the measure of segment results:			
Depreciation and amortisation	58,076	1,774	59,850
Impairment losses on financial assets	23,227	12,875	36,102

5 SEGMENT INFORMATION (CONTINUED)

(b) The following is the analysis of the Group's segment assets and liabilities and capital expenditure for the period then ended:

As at 30 June 2025 (Unaudited)

	Commercial operational services RMB'000	Residential property management services RMB'000	Elimination RMB'000	Group RMB'000
Segment assets	**1,428,868**	**322,496**	**(7,206)**	**1,744,158**
Other assets				**4,276,883**
Total assets				**6,021,041**
Segment liabilities	**2,005,656**	**374,613**	**(7,206)**	**2,373,063**
Other liabilities				**253,362**
Total liabilities				**2,626,425**
Capital expenditure (six months ended 30 June 2025 (Unaudited)	**2,564**	**15,257**	**–**	**17,821**

As at 31 December 2024 (Audited)

	Commercial operational services RMB'000	Residential property management services RMB'000	Elimination RMB'000	Group RMB'000
Segment assets	1,601,230	280,619	(7,026)	1,874,823
Other assets				4,165,687
Total assets				6,040,510
Segment liabilities	2,274,910	335,487	(7,026)	2,603,371
Other liabilities				212,331
Total liabilities				2,815,702
Capital expenditure (six months ended 30 June 2024 (Unaudited)	333,102	772	–	333,874

5 SEGMENT INFORMATION (CONTINUED)

Segment assets are reconciled to total assets as follows:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Segment assets	**1,744,158**	1,874,823
Other assets		
Current income tax recoverables	**150**	134
Deferred income tax assets	**170,224**	158,198
Unallocated cash and bank balances	**4,046,885**	3,946,383
Unallocated property and equipment	**5**	45
Other corporate assets	**52,654**	51,666
Financial assets at fair value through profit and loss	**6,965**	9,261
Total assets	**6,021,041**	6,040,510

Segment liabilities are reconciled to total liabilities as follows:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Segment liabilities	**2,373,063**	2,603,371
Other liabilities		
Current income tax liabilities	**239,680**	203,259
Deferred income tax liabilities	**623**	722
Other corporate liabilities	**13,059**	8,350
Total liabilities	**2,626,425**	2,815,702

The amounts provided to the CODM with respect to total assets and liabilities are measured in a manner consistent with that of the interim condensed consolidated financial position. These assets and liabilities are allocated based on the operations of the segment.

Segment assets consist primarily of property and equipment, investment properties, intangible assets, receivables from commercial and residential property management services and cash and bank balances other than current income tax recoverable, deferred income tax assets, unallocated cash and bank balances, unallocated property and equipment, other corporate assets and financial assets at fair value through profit or loss.

Segment liabilities consist primarily of trade and other payables, lease liabilities, contract liabilities and advances from lessees other than current income tax liabilities, deferred income tax liabilities and other corporate liabilities.

Capital expenditure comprises additions to property and equipment (Note 13), investment properties (Note 14) and intangible assets.

Notes to the Interim Condensed Consolidated Financial Information

6 REVENUE

(a) Revenue of the Group for the six months ended 30 June 2025 is as follows:

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Type of services		
Rental income:		
– Commercial property lease income (iv)	**111,818**	103,541
Revenue from customers:		
Market research and positioning, business tenant sourcing, opening preparation services	**20,826**	42,760
Commercial operation and management services	**915,948**	930,562
– Commercial operation services during the operation stage (v)	**337,035**	352,528
– Commercial property management service (vi)	**578,913**	578,034
– Commercial operational services	**936,774**	973,322
Pre-sale management services	**534**	875
Property management services	**202,755**	202,277
Other value-added services	**49,057**	52,927
– Residential property management services	**252,346**	256,079
	1,300,938	1,332,942
Types of customers		
External customers (i)	**1,184,586**	1,186,509
Fellow subsidiaries (ii)	**111,149**	130,546
Other related parties (iii)	**5,203**	15,887
	1,300,938	1,332,942

6 REVENUE (CONTINUED)

(a) Revenue of the Group for the six months ended 30 June 2025 is as follows: (continued)

(i) External customers represented independent third parties.

(ii) For the six months ended 30 June 2025 revenue arising from the Remaining Powerlong Group contributed 8.5% of the Group's revenue (six months ended 30 June 2024: 9.8%). Other than the Remaining Powerlong Group and other entities controlled by Mr. Hoi, the Group has a large number of customers, none of them contributed 10% or more of the Group's revenue during the period (six months ended 30 June 2024: none).

(iii) Other related parties represented associates or jointly controlled entities of the Remaining Powerlong Group.

(iv) The owner leases the retail commercial properties as a whole to the Group at a certain price, and all income and costs of project operation are borne by the Group.

The Group charges tenants and consumers: (i) rental income of projects; (ii) operation and management service fees during project operation; (iii) income from diversified operations; and (iv) parking fees.

For the six months ended 30 June 2025, sub-lease services income of the Group was RMB111,818,000 (six months ended 30 June 2024: RMB103,541,000).

(v) For the six months ended 30 June 2025, revenue from diversified operations and parking service included in commercial operation services during the operation stage was approximately RMB225,332,000 (six months ended 30 June 2024: RMB231,201,000).

(vi) For the six months ended 30 June 2025, revenue from operation and management service included in commercial property management service was approximately RMB503,265,000 (six months ended 30 June 2024: RMB500,106,000).

(b) Liabilities related to contracts with customers

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Contract liabilities	**248,314**	274,282

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

6 REVENUE (CONTINUED)

(b) Liabilities related to contracts with customers (continued)

(i) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Revenue recognised that was included in the contract liability balance at the beginning of the period		
– Commercial operational services	**176,511**	198,802
– Residential property management services	**94,656**	64,451
	271,167	263,253

(ii) Unsatisfied performance obligations

For commercial operational services and residential property management services, the Group recognises revenue in the amount that equals to the rights to invoices which corresponds directly with the value to the customers of the Group's performance to date, on a monthly or quarterly basis. The Group has elected the practical expedient for not to disclose the remaining performance obligations for those types of contracts. The majority of the property management services contracts and property developer-related services do not have a fixed term. The term of the contracts for other value-added services is generally set to expire when the counterparties notify the Group several months in advance that the services are no longer required.

7 EXPENSES BY NATURE

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Employee and other labour costs	**601,538**	603,459
Utilities	**120,095**	123,234
Short-term lease expenditure (Note 22(b))	**130,689**	118,094
Depreciation and amortisation	**45,785**	59,850
Promotion and advertising expenses	**30,952**	51,046
Office expenses	**10,207**	10,551
Travelling and entertainment expenses	**7,661**	8,229
Variable lease payments (Note 22(b))	**36,251**	16,172
Taxes and other levies	**6,892**	4,929
Professional fees	**14,229**	10,274
Auditors' remuneration – Audit services	**650**	200
Others	**26,862**	27,451
	1,031,811	1,033,489

8 STAFF COSTS

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Wages and salaries	**324,700**	336,064
Social insurance expenses (Note (a))	**58,916**	57,201
Share-based payments (Note 20)	**3,433**	11,691
Housing benefits	**18,383**	18,846
Other employee benefits (Note (b))	**2,732**	3,684
	408,164	427,486

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

(b) Other employee benefits mainly include meal, travelling and transportation allowances.

9 OTHER INCOME AND OTHER LOSSES – NET

	Six months ended 30 June 2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Other income		
Penalty income	**23,328**	9,974
Government grants (Note (a))	**1,487**	3,138
Gains on disposal of assets	**85,071**	–
Others	**2,809**	3,632
	112,695	16,744
Other losses		
Foreign exchange losses	**(322)**	(187)
Penalty losses	**(15,859)**	–
	96,514	16,557

(a) The government grants represented mainly rewards, tax refunds and rental refunds from local government without attached conditions.

10 FINANCE COSTS – NET

	Six months ended 30 June 2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Interest expense in respect of:		
Lease liabilities	**(28,577)**	(35,413)
	(28,577)	(35,413)
Interest income in respect of:		
Bank deposits	**20,866**	26,941
Finance costs – net	**(7,711)**	(8,472)

11 INCOME TAX EXPENSES

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Current income tax		
– PRC corporate income tax	**78,590**	89,733
Deferred income tax		
– PRC corporate income tax	**(12,125)**	(16,380)
	66,465	73,353

The effective income tax rate of the Group remained relatively stable at approximately 27.40% and 26.83% for the six months ended 30 June 2025 and 2024, respectively.

PRC corporate income tax

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

The general corporate income tax rate in the PRC is 25%.

Overseas income tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act, Cap 22 of Cayman Islands and pursuant to the rules and regulations of Cayman Islands, the Company is not subject to any income tax. The Company's subsidiaries in the British Virgin Islands were incorporated under the International Business Companies Act (as amended) of the British Virgin Islands and, accordingly are exempted from British Virgin Islands income tax.

Hong Kong profits tax

No provision for Hong Kong profits tax has been made in these interim condensed consolidated financial statements as the Company and the Group did not have assessable profit in Hong Kong during the six months ended 30 June 2025 (six months ended 30 June 2024: nil). The profit of the group entities in Hong Kong is mainly derived from dividend income, which is not subject to Hong Kong profits tax.

PRC withholding income tax

According to the new Corporate Income Tax Law of the PRC, starting from 1 January 2008, a withholding tax of 10% will be levied on the immediate holding companies outside the PRC when their PRC subsidiaries declare dividend out of profits earned after 1 January 2008. A lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are established in Hong Kong according to the tax treaty arrangements between the PRC and Hong Kong.

12 EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the six months ended 30 June 2024 and 2025.

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Earnings (RMB'000)		
Earnings for the purposes of basic and diluted earnings per share (profit attributable to owners of the Company)	**182,806**	194,505
Number of shares ('000)		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**642,900**	634,978
Basic and diluted earnings per share (RMB cents per share)	**28.43**	30.63

(b) Diluted

Diluted earnings per share for both periods were the same as the basic earnings per share as there was no potential ordinary shares in issue during the six months ended 30 June 2025 and 2024.

13 PROPERTY AND EQUIPMENT

	Rental property improvement expenses RMB'000	Motor vehicles RMB'000	Furniture, fitting and equipment RMB'000	Total RMB'000
Six months ended 30 June 2025 (Unaudited)				
Opening net book amount	**37,278**	**173**	**7,856**	**45,307**
Additions	**2,303**	**9**	**847**	**3,159**
Disposals	**–**	**(50)**	**(802)**	**(852)**
Depreciation charge	**(3,979)**	**(87)**	**(945)**	**(5,011)**
Closing net book amount	**35,602**	**45**	**6,956**	**42,603**
As at 30 June 2025 (Unaudited)				
Cost	**48,619**	**5,142**	**37,676**	**91,437**
Accumulated depreciation	**(13,017)**	**(5,097)**	**(30,720)**	**(48,834)**
Net book amount	**35,602**	**45**	**6,956**	**42,603**
Six months ended 30 June 2024 (Unaudited)				
Opening net book amount	35,066	373	10,314	45,753
Additions	7,352	13	1,114	8,479
Disposals	–	(14)	(214)	(228)
Depreciation charge	(3,031)	(104)	(2,547)	(5,682)
Closing net book amount	39,387	268	8,667	48,322
As at 30 June 2024 (Unaudited)				
Cost	45,252	5,427	40,601	91,280
Accumulated depreciation	(5,865)	(5,159)	(31,934)	(42,958)
Net book amount	39,387	268	8,667	48,322

(a) Depreciation expenses were charged to the following categories in the interim condensed consolidated statements of profit or loss and other comprehensive income:

	Six months ended 30 June 2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Depreciation expenses	**5,011**	5,682

Notes to the Interim Condensed Consolidated Financial Information

14 INVESTMENT PROPERTIES

	Leased commercial properties – right of use assets RMB'000
Six months ended 30 June 2025 (Unaudited)	
Opening net book amount	**972,085**
Additions	**14,662**
Disposals	**(133,301)**
Depreciation charge	**(39,529)**
Closing net book amount	**813,917**
As at 30 June 2025 (Unaudited)	
Cost	**1,451,798**
Accumulated depreciation	**(637,881)**
Net book amount	**813,917**
Six months ended 30 June 2024 (Unaudited)	
Opening net book amount	749,749
Additions	325,229
Depreciation charge	(52,910)
Closing net book amount	1,022,068
As at 30 June 2024 (Unaudited)	
Cost	1,373,834
Accumulated depreciation	(351,766)
Net book amount	1,022,068

(a) Depreciation expenses were charged to the following categories in the consolidated statements of profit or loss and other comprehensive income:

	Six months ended 30 June	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Cost of services	**39,529**	52,910

15 GOODWILL

No impairment provision on goodwill was recognised as at 30 June 2025.

16 OPERATING LEASE AND TRADE RECEIVABLES

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Operating lease receivables (Note (a))		
– Third parties	**12,084**	15,937
Trade receivables (Note (a))		
– Related parties (Note 24(d))	**442,883**	371,819
– Third parties	**318,238**	262,604
	761,121	634,423
Operating lease and trade receivables	**773,205**	650,360
Less: allowance for impairment	**(341,939)**	(237,187)
	431,266	413,173

16 OPERATING LEASE AND TRADE RECEIVABLES (CONTINUED)

(a) The Group's revenue is derived from provision of commercial operational services, residential property management services and lease of properties. Proceeds in respect of service rendering and rental income are to be received in accordance with the terms of relevant property service agreements and tenant contracts.

As at the respective balance sheet date, the ageing analysis of the operating lease and trade receivables due from related parties based on the demand note dates is as follows:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Within 1 year	**164,411**	264,149
1-2 years	**278,421**	107,670
2-3 years	**51**	–
	442,883	371,819

As at the respective balance sheet date, the ageing analysis of the operating lease and trade receivables due from third parties based on the demand note dates is as follows:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Within 1 year	**121,429**	141,537
1-2 years	**83,139**	65,227
2-3 years	**54,321**	33,085
Over 3 years	**71,433**	38,692
	330,322	278,541

(b) The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9. As at 30 June 2025, a provision of RMB341,939,000 was made against the gross amounts of operating lease and trade receivables (31 December 2024: RMB237,187,000).

(c) As at 30 June 2025 and 31 December 2024, the operating lease and trade receivables were denominated in RMB, and their fair values approximated their carrying amounts.

17 PREPAYMENTS AND OTHER RECEIVABLES

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Other receivables		
– Payments on behalf of tenants or residents (Note (a))	**11,311**	21,254
– Related parties (Note 24(d))	**12,174**	11,704
– Deposit paid to a related company (Note (b) and Note 24(d))	**198,000**	198,000
– Deposit paid to a third party (Note (c))	**3,005**	3,013
– Others	**4,848**	15,930
	229,338	249,901
Less: allowance for impairment	**(100,094)**	(88,453)
	129,244	161,448
Prepayments		
– Third parties (Note (d))	**32,922**	37,186
– Related parties (Note 24(d))	**23,142**	24,949
	56,064	62,135
	185,308	223,583

(a) Amounts mainly represented the payments of utility fees on behalf of tenants or residential communities.

(b) Amounts represented a refundable deposit paid to a related company for the exclusive sales right of car park spaces in the PRC held by this related company.

(c) Amounts represented a refundable deposit paid to a third party for the exclusive sales right of shops in the PRC held by this third party.

(d) Amounts mainly represented the prepaid utility expenses.

(e) The balances of prepayments and other receivables were all denominated in RMB.

Notes to the Interim Condensed Consolidated Financial Information

18 CASH AND BANK BALANCES

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Cash at banks and in hand (Note (a))	4,285,213	4,131,562
Restricted cash – others	(18,316)	(22,769)
Cash and cash equivalents	4,266,897	4,108,793

(a) Cash at banks and in hand were denominated in the following currencies:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
RMB	4,280,916	4,110,047
HK$	4,285	21,503
US$	12	12
	4,285,213	4,131,562

19 SHARE CAPITAL AND SHARE PREMIUM AND SHARES HELD FOR SHARES AWARD SCHEME

	Number of ordinary shares	Share capital HK$'000	Share capital RMB'000	Share premium RMB'000	Total RMB'000
Authorised					
As at 1 January 2025 and 30 June 2025	2,000,000,000	20,000	17,905	–	17,905
Issued					
As at 1 January 2025	642,900,000	6,429	5,747	998,653	1,004,400
Vesting of awarded shares	–	–	–	9,685	9,685
As at 30 June 2025 (Unaudited)	642,900,000	6,429	5,747	1,008,338	1,014,085

	Number of ordinary shares	Share capital HK$'000	Share capital RMB'000	Share premium RMB'000	Total RMB'000	Shares held for Shares Award Scheme RMB'000
Authorised						
As at 1 January 2024 and 30 June 2024	2,000,000,000	20,000	17,905	–	17,905	–
Issued						
As at 1 January 2024	642,900,000	6,429	5,747	961,459	967,206	(44)
Vesting of awarded shares	–	–	–	25,173	25,173	–
As at 30 June 2024 (Unaudited)	642,900,000	6,429	5,747	986,632	992,379	(44)

20 OTHER RESERVES

	Statutory reserves RMB'000	Shares Award Scheme and Shares Incentive Scheme – value of employee service (Note (a)) RMB'000	Total reserves RMB'000
Balance at 1 January 2025	**23,617**	**6,252**	**29,869**
Shares Award Scheme and Shares Incentive Scheme – value of employee service	**–**	**3,433**	**3,433**
Vesting of awarded shares	**–**	**(9,685)**	**(9,685)**
Balance at 30 June 2025 (Unaudited)	**23,617**	**–**	**23,617**
Balance at 1 January 2024	23,617	96,606	120,223
Shares Award Scheme and Shares Incentive Scheme – value of employee service	–	11,691	11,691
Vesting of awarded shares	–	(25,173)	(25,173)
Balance at 30 June 2024 (Unaudited)	23,617	83,124	106,741

(a) Shares Award Scheme and Shares Incentive Scheme

On 24 November 2020, the Company's shareholders approved and adopted a shares award scheme ("**Shares Award Scheme**") and the Company has appointed Tricor Trust (Hong Kong) Limited as the trustee (the "**Trustee**") to assist with the administration of the awarded shares and Elitelong Holdings Limited, a wholly-owned subsidiary of the Trustee, as nominee. On 4 December 2020, the Board of the Company approved a new issuance of 11,250,000 ordinary shares to the Elitelong Holdings Limited.

Elitelong Holdings Limited was set up as a special vehicle for the purpose of holding the ordinary shares allotted and issued by the Company. As the Company has the power to direct the relevant activities of Elitelong Holdings Limited and can derive benefits from the contributions of the grantees, therefore, Elitelong Holdings Limited is consolidated by the Company and the shares of the Company that it held are presented as a deduction in equity as shares held for the Shares Award Scheme reserve.

Under the terms of the Shares Award Scheme, when the vesting conditions are fulfilled, the Awarded Shares shall be vested and 50% in June 2023 and 50% in June 2025 respectively.

In June 2023, 5,625,000 Awarded Shares were vested to Mr. Chen Deli (Mr. Chen) at no consideration. On 1 November 2024, Mr. Chen resigned from his position as an executive Director and the chief executive officer of the Company. Under the terms of the Shares Award Scheme, the remaining 5,625,000 Awarded Shares which were not yet vested as at that date will no longer be transferred to Mr. Chen.

The Awarded Shares have an aggregate nominal value of HK$112,500 and a fair value of HK$226,688,000 based on the price of HK$20.15 on the grant date (equivalent to approximately RMB192,446,000). For the six months ended 30 June 2025, an expense of RMB Nil (30 June 2024: RMB10,128,000) was recognised in relation to the Shares Award Scheme.

20 OTHER RESERVES (CONTINUED)

(a) Shares Award Scheme and Shares Incentive Scheme (Continued)

On 19 July 2019, 8,778 shares were issued and allotted to Huihong Management (PTC) Limited ("**Huihong Management**") at par value as to 10% of the Company's equity interest before the listing of the Company. Huihong Management was incorporated in the BVI as a special purpose vehicle to hold shares to be granted to eligible grantees under a share incentive scheme ("**Shares Incentive Scheme**") to be adopted at least six months after the Listing, which is consolidated by the Company.

On 10 December 2019, the Company increased its authorized share capital to HK$20,000,000 by the creation of 1,962,000,000 additional shares of nominal value of HK$0.01 each. Pursuant to the written resolutions passed by the shareholders on 10 December 2019, the Company was authorized to capitalise HK$4,499,122.22 standing to the credit of the share premium account of the Company by applying such sum in paying up in full at par 449,912,222 shares for issue and allotment to the respective shareholders. Accordingly, the numbers of shares held by Huihong Management increased from 8,778 to 45,000,000, i.e. 10% of the Company's equity interest before the listing.

On 21 September 2022, as the grant date, the Company has resolved to transfer, and the eligible grantees have to subscribe for a certain number of shares from Huihong Management, at the subscription price of RMB1.1111 per share upon the terms and subject to the conditions under the Shares Incentive Scheme. These shares ("**Incentive Shares**") shall then transfer to eligible grantees after the relevant vesting conditions are fulfilled.

Under the terms of the Shares Incentive Scheme, when the vesting conditions are fulfilled, the Incentive Shares shall be vested 100%. As at 30 June 2025, total number of 27,558,000 shares were subscribed by and transferred to the grantees (as at 31 December 2024: 21,428,000 shares). For the six months ended 30 June 2025, an expense of RMB3,433,000 was recognised in relation to the Shares Incentive Scheme (six months ended 30 June 2024: RMB1,563,000).

21 DIVIDENDS

The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2025 (30 June 2024: nil).

22 LEASES

(a) Amounts recognised in the interim condensed consolidated statement of financial position

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Leased properties for sub-lease to tenants		
– Leased commercial properties (Note 14)	**813,917**	972,085
Lease liabilities		
Current	**82,640**	82,909
Non-current	**947,150**	1,187,789
	1,029,790	1,270,698

(b) Amounts recognised in interim condensed consolidated statements of profit or loss and other comprehensive income

	Six months ended 30 June	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Depreciation charge		
Commercial properties (Note 14)	**39,529**	52,910
Interest expense (included in finance income – net)	**28,577**	35,413
Variable lease payments (included in cost of services)	**36,251**	16,172
Short-term lease expenditure for car parks and common areas and advertising space	**130,689**	118,094
Cash outflows for lease payments (including principal elements and relevant interest expense)	**49,999**	51,599

23 TRADE AND OTHER PAYABLES

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Trade payables		
– Related parties (Note 24(d))	197	510
– Third parties	156,631	153,773
	156,828	154,283
Other payables		
– Related parties (Note 24(d))	163,236	136,050
– Receipts on behalf of tenants or residents (Note (a))	77,588	73,735
– Payables for promotion fees on behalf of owners of the commercial properties (Note (b))	25,106	35,473
– Deposits received (Note (c))	543,722	535,312
– Others	13,059	8,350
	822,711	788,920
Accrued payroll	50,236	68,508
Dividend payables	8,355	–
Other taxes payables	28,576	17,202
	1,066,706	1,028,913

(a) Amounts represented the receipts on behalf of tenants or residents to settle the bills of utilities charges.

(b) The balance represented the receipts on behalf of owners of the commercial properties to settle the expenses relating to promotion and marketing activities of car parks, common areas and advertising spaces.

(c) Amounts mainly represented deposits received from tenants as performance securities in relation to tenant agreements or property management service agreements.

(d) As at 30 June 2025 and 31 December 2024, the carrying amounts of trade and other payables approximated their fair values.

(e) As at the respective balance sheet date, the ageing analysis of the trade payables (including amounts due to related parties) based on invoice dates is as follows:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Within 1 year	124,461	138,993
1-2 years	15,687	6,175
2-3 years	9,639	6,755
over 3 years	7,041	2,360
	156,828	154,283

23 TRADE AND OTHER PAYABLES (CONTINUED)

(f) Trade and other payables (excluding accrued payroll, dividend payables and other taxes payables) were denominated in the following currencies:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
RMB	987,893	943,203

24 RELATED PARTY TRANSACTIONS

(a) Transactions with related parties

	Six months ended 30 June 2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Revenue arising from provision of services (Note (ii))		
– Entities controlled by Mr. Hoi	111,149	130,546
– Entities jointly controlled by Mr. Hoi	5,203	15,887
	116,352	146,433
Office leasing expenditure paid/payable		
– Entities controlled by Mr. Hoi	–	917
Short-term lease expenditure for car parks, common areas and advertising space		
– Entities controlled by Mr. Hoi	116,581	106,630
– Entities jointly controlled by Mr. Hoi	2,173	3,617
	118,754	110,247
Purchase of low-value consuming goods		
– Entities controlled by Mr. Hoi	970	362
Purchase of information technology services		
– Entities jointly controlled by Mr. Hoi	1,553	4,245

(i) All of the transactions above were carried out in the normal course of the Group's business and on terms as agreed between the transacting parties.

(ii) The provision of services mainly comprised of revenue from commercial operational services and residential properties management services.

24 RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Free trademark license agreement

On 8 August 2019, a trademark licencing agreement was entered into between the Group and Powerlong Group Development Co., Ltd. (寶龍集團發展有限公司) ("**Powerlong Group Development**"), pursuant to which Powerlong Group Development agreed to irrevocably and unconditionally grant to the Group the right to (i) use; and/or (ii) sub-license to a third party due to operational needs arising from its usual and ordinary course of business and other activities, certain trademarks registered in the PRC for a perpetual term commencing from the date of the trademark licensing agreement on a royalty-free basis.

(c) Key management compensation

Compensations for key management is set out below.

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Salaries and other short-term employee benefits	**695**	2,690

(d) Balances with related parties

	30 June 2025	31 December 2024
	(Unaudited)	(Audited)
	RMB'000	RMB'000
Trade receivables		
– Entities controlled by Mr. Hoi	**418,511**	350,580
– Entities jointly controlled by Mr. Hoi	**24,372**	21,239
	442,883	371,819
Prepayments		
– Entities jointly controlled by Mr. Hoi	**23,142**	24,949
	23,142	24,949
Other receivables		
– Entities controlled by Mr. Hoi	**207,869**	207,074
– Entities jointly controlled by Mr. Hoi	**2,305**	2,630
	210,174	209,704
Trade payables		
– Entities controlled by Mr. Hoi	**197**	510

24 RELATED PARTY TRANSACTIONS (CONTINUED)

(d) Balances with related parties (continued)

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Other payables (Note (i))		
– Entities controlled by Mr. Hoi	**161,599**	129,632
– Entities jointly controlled by Mr. Hoi	**1,637**	6,418
	163,236	136,050
Contract liabilities		
– Entities controlled by Mr. Hoi	**8,172**	6,546
– Entities jointly controlled by Mr. Hoi	**6,126**	4,665
	14,298	11,211

(i) The balances consisted of short-term lease payments of car parks, common areas and advertising spaces and the receipts on behalf of owners of the commercial properties to settle the expenses relating promotion and marketing activities.

Trade receivables, other receivables, trade payables, other payables and contract liabilities due from/to related parties were unsecured and interest-free and repayable on demand.

25 CONTINGENCIES

As at 30 June 2025 and 31 December 2024, the Group did not have any significant contingent liabilities.

26 COMMITMENTS

As at 30 June 2025, the Group's future aggregate minimum lease payments under non-cancellable short-term leases arrangements were RMB Nil which is due within one year (as at 31 December 2024: RMB Nil).