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GREENTOWN MANAGEMENT HOLDINGS COMPANY LIMITED

綠城管理控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 09979)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Greentown Management Holdings Company Limited (“**Greentown Management**” or the “**Company**” or “**We**”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025 (the “**Reporting Period**” or the “**Period**”) prepared in accordance with International Financial Reporting Standards, together with comparative figures for the corresponding period in 2024. The interim results have been reviewed by the audit committee of the Company (the “**Audit Committee**”) and approved by the Board.

HIGHLIGHTS

- Revenue amounted to approximately RMB1.374 billion, and the gross profit margin was approximately 40%.
- The net profit attributable to the owners of the Company was approximately RMB256 million, and the net profit margin attributable to the owners of the Company was 19%.
- The net cash inflow from operating activities reached RMB112 million, an increase of 45% compared with the same period of last year.
- Bank balances and cash (excluding pledged bank deposits) reached RMB1.644 billion, an increase of 8% compared with the end of 2024, remaining healthy and sufficient.
- The total Gross Floor Area (“**GFA**”) of the newly contracted projects under project management business reached 19.89 million sqm, increased by approximately 13.9% compared with the same period of last year; and the project management fee for the newly contracted projects was RMB5.00 billion, increased by approximately 19.1% compared with the same period of last year, ranking first in the industry.
- The total sales under project management achieved approximately RMB41.9 billion, an increase of approximately 2% compared with the same period of last year.
- The Board resolved to declare an interim dividend of RMB0.076 per share (equivalent to HK\$0.083308).

The following financial information is extracted from the unaudited condensed consolidated financial information as set out in the 2025 Interim Report to be published by the Group:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		2025	2024
	NOTES	RMB'000	RMB'000
		(Unaudited)	(Unaudited)
REVENUE	5	1,374,262	1,669,632
Cost of sales		<u>(823,949)</u>	<u>(809,489)</u>
Gross profit		550,313	860,143
Other income	6	46,403	65,525
Other gains and losses	7	(1,695)	11,673
Selling and marketing expenses		(49,815)	(54,105)
Administrative expenses		(218,228)	(211,691)
Finance costs	8	(1,474)	(1,716)
Reversal of impairment losses/(impairment losses) under expected credit loss model, net		25,225	(40,534)
Loss from changes in fair value of investment properties		–	(3,371)
Net gain on disposal of joint ventures		–	2,599
Share of results of associates		(239)	18,970
Share of results of joint ventures		<u>1,489</u>	<u>4,814</u>
PROFIT BEFORE TAX		351,979	652,307
Income tax expense	9	<u>(79,033)</u>	<u>(161,081)</u>
PROFIT FOR THE PERIOD		<u>272,946</u>	<u>491,226</u>
Attributable to:			
Owners of the Company		256,117	501,179
Non-controlling interests		<u>16,829</u>	<u>(9,953)</u>
		<u>272,946</u>	<u>491,226</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the six months ended 30 June 2025

	NOTE	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
PROFIT FOR THE PERIOD		<u>272,946</u>	<u>491,226</u>
OTHER COMPREHENSIVE INCOME			
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</i>			
Fair value gain on equity investments designated at fair value through other comprehensive income for the period, net of tax		<u>8,267</u>	<u>6,188</u>
OTHER COMPREHENSIVE INCOME FOR THE PERIOD		<u>8,267</u>	<u>6,188</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>281,213</u>	<u>497,414</u>
Attributable to:			
Owners of the Company		264,384	507,367
Non-controlling interests		<u>16,829</u>	<u>(9,953)</u>
		<u>281,213</u>	<u>497,414</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic	11	<u>RMB0.13</u>	<u>RMB0.26</u>
Diluted	11	<u>RMB0.13</u>	<u>RMB0.25</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

		30 June 2025	31 December 2024
	NOTES	RMB'000 (Unaudited)	RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		78,148	80,639
Right-of-use assets		9,527	12,446
Goodwill		981,761	981,761
Intangible assets	12	248,262	275,392
Interests in associates		93,166	93,405
Interests in joint ventures		306,327	297,190
Equity investments designated at fair value through other comprehensive income		60,432	49,409
Financial assets at fair value through profit or loss ("FVTPL")		5,000	5,000
Deferred tax assets		67,708	69,669
Other non-current assets		255,435	206,790
Total non-current assets		2,105,766	2,071,701
CURRENT ASSETS			
Trade and other receivables, deposits and prepayments	13	999,780	1,119,432
Contract assets	14	1,436,881	1,344,663
Amounts due from related parties		507,909	493,757
Pledged bank deposits		162,069	228,928
Bank balances and cash		1,643,758	1,518,287
Total current assets		4,750,397	4,705,067
CURRENT LIABILITIES			
Trade and other payables	15	1,184,295	1,286,085
Contract liabilities		588,871	545,752
Amounts due to related parties		522,718	420,702
Income tax payable		255,813	325,024
Other taxes payable		36,664	59,382
Lease liabilities		5,649	5,720
Financial liabilities at FVTPL		—	151,034
Dividend payable		481,047	—
Total current liabilities		3,075,057	2,793,699

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

30 June 2025

	30 June 2025 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Audited)
NET CURRENT ASSETS	<u>1,675,340</u>	<u>1,911,368</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>3,781,106</u>	<u>3,983,069</u>
NON-CURRENT LIABILITIES		
Lease liabilities	2,637	4,725
Deferred tax liabilities	<u>35,881</u>	<u>36,763</u>
Total non-current liabilities	<u>38,518</u>	<u>41,488</u>
NET ASSETS	<u>3,742,588</u>	<u>3,941,581</u>
EQUITY		
Equity attributable to owners of the Company		
Share capital	16,769	16,769
Reserves	<u>3,577,579</u>	<u>3,793,401</u>
	3,594,348	3,810,170
Non-controlling interests	<u>148,240</u>	<u>131,411</u>
TOTAL EQUITY	<u>3,742,588</u>	<u>3,941,581</u>

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company was established in the Cayman Islands as an exempted company with limited liability on 12 December 2016. The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 10 July 2020. The immediate and ultimate holding company of the Company is Greentown China Holdings Limited ("**Greentown China**"), a company listed on the Main Board of the Stock Exchange and incorporated in the Cayman Islands.

The Company is an investment holding company. The principal activity of its subsidiaries (together with the Company referred to as the "**Group**") is to provide project management services in the People's Republic of China (the "**PRC**").

2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with International Accounting Standards ("**IAS**") 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period's financial information.

Amendments to IAS 21	<i>Lack of Exchangeability</i>
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The nature and impact of the amended IFRS Accounting Standards are described below:

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

4. OPERATING SEGMENT INFORMATION

For the six months ended 30 June 2025, the Group restructured its internal reporting structure, resulting in changes to the composition of its reportable segments. The Group has merged the commercial project management segment with the government project management segment. The chief operating decision-maker has begun making strategic decisions for all project management businesses as a whole. Segment disclosures for prior periods have been restated to align with the presentation for the current period.

An analysis of the Group's revenue and results by reportable and operating segments for the interim period is as follows:

For the six months ended 30 June 2025

	Project management business <i>RMB'000</i> (Unaudited)	Others <i>RMB'000</i> (Unaudited)	Segment total <i>RMB'000</i> (Unaudited)	Eliminations <i>RMB'000</i> (Unaudited)	Total <i>RMB'000</i> (Unaudited)
Segment revenue					
External revenue	1,361,194	13,068	1,374,262	-	1,374,262
Inter-segment revenue	661	686	1,347	(1,347)	-
	<u>1,361,855</u>	<u>13,754</u>	<u>1,375,609</u>	<u>(1,347)</u>	<u>1,374,262</u>
Segment results	<u>315,015</u>	<u>(1,695)</u>	<u>313,320</u>	<u>219</u>	<u>313,539</u>
Unallocated other income					662
Unallocated administrative expenses					(4,190)
Unallocated finance costs					(29)
Unallocated exchange gains					467
Unallocated license fee					(37,503)
Profit for the period					<u>272,946</u>

4. OPERATING SEGMENT INFORMATION (CONTINUED)

For the six months ended 30 June 2024

	Project management business <i>RMB'000</i> (Unaudited)	Others <i>RMB'000</i> (Unaudited)	Segment total <i>RMB'000</i> (Unaudited)	Eliminations <i>RMB'000</i> (Unaudited)	Total <i>RMB'000</i> (Unaudited)
Segment revenue					
External revenue	1,640,032	29,600	1,669,632	–	1,669,632
Inter-segment revenue	711	853	1,564	(1,564)	–
	<u>1,640,743</u>	<u>30,453</u>	<u>1,671,196</u>	<u>(1,564)</u>	<u>1,669,632</u>
Segment results	<u>546,749</u>	<u>2,731</u>	<u>549,480</u>	<u>8,058</u>	<u>557,538</u>
Unallocated other income					70
Unallocated gains from changes in fair value of financial assets at fair value through profit or loss					519
Unallocated administrative expenses					(11,929)
Unallocated finance costs					(13)
Unallocated exchange losses					(1,735)
Unallocated withholding tax					(25,000)
Unallocated license fee					(28,224)
Profit for the period					<u>491,226</u>

No segment assets and liabilities are presented as they were not regularly provided to the Group's chief operating decision maker for the purpose of resource allocation and performance assessment.

5. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	1,374,262	1,669,632

Disaggregated revenue information for revenue from contracts with customers

Geographical market

The Group's consolidated revenue is attributable to the market in the PRC (country of domicile).

Timing of revenue recognition

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue recognized over time:		
Project management business	1,361,194	1,640,032
Others	13,068	29,600
Total	1,374,262	1,669,632

6. OTHER INCOME

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Interest income from:		
– bank balances	5,722	29,074
– loans to related parties	6,619	22,341
– loans to third parties	27,034	12,067
	<u>39,375</u>	<u>63,482</u>
Government grants	6,414	1,756
Gross rental income from investment properties	–	61
Others	614	226
	<u> </u>	<u> </u>
Total	<u><u>46,403</u></u>	<u><u>65,525</u></u>

7. OTHER GAINS AND LOSSES

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Foreign exchange gains/(losses), net	485	(1,735)
Loss on disposal of other non-current assets	(3,878)	(1,383)
Net gain on disposal of property, plant and equipment and right-of-use assets	1,856	1,271
Gain from changes in fair value of financial assets measured at FVTPL	–	519
Gain from changes in fair value of financial liabilities measured at FVTPL	–	13,171
Loss on early termination of leases	(14)	–
Others	(144)	(170)
	<u> </u>	<u> </u>
Total	<u><u>(1,695)</u></u>	<u><u>11,673</u></u>

8. FINANCE COSTS

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Interest expenses on loans from third parties	(1,209)	(1,050)
Interest expenses on loans from related parties	—	(375)
Interest on leases	(265)	(291)
	<u>(1,474)</u>	<u>(1,716)</u>
Total	<u><u>(1,474)</u></u>	<u><u>(1,716)</u></u>

9. INCOME TAX EXPENSE

The major components of the Group's income tax expense are as follows:

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Current tax:		
PRC enterprise income tax	83,495	170,632
Under provision in prior years:		
PRC enterprise income tax	1,421	1,023
Deferred tax:	(5,883)	(10,574)
	<u>79,033</u>	<u>161,081</u>
Total	<u><u>79,033</u></u>	<u><u>161,081</u></u>

The Company is registered as an exempted company and as such is not subject to the Cayman Islands taxation.

No provision for income tax has been made for the Company's subsidiaries incorporated in Hong Kong as they had no assessable profits derived from Hong Kong during the period.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%, although certain PRC subsidiaries enjoy a preferential tax rate of 15%.

Certain subsidiaries of the Group operating in the PRC meet the eligibility criteria set for small and low-profit enterprises in this year, which are eligible for preferential corporate income tax policy. The EIT of those eligible PRC subsidiaries is calculated based on 25% of the taxable profit amount and a preferential tax rate of 20% is applied, thus the actual effective EIT rate of those PRC subsidiaries for the current period is 5%. The qualification of small and low-profit enterprises is reassessed annually through the annual EIT filing process.

10. DIVIDENDS

On 18 June 2025, the final dividend of RMB0.24 per share was approved by the Company's shareholders at the annual general meeting. The aggregate amount of dividends was HK\$527,460,000 (equivalent to RMB482,400,000), among which HK\$10,117,000 (equivalent to RMB9,253,000) of dividend was distributed to the shares retained by or on behalf of the Group for share award schemes. The dividend was subsequently paid on 18 July 2025.

On 13 June 2024, the final dividend of RMB0.40 per share and a special dividend of RMB0.10 per share were approved by the Company's shareholders at the annual general meeting. The aggregate amount of dividends was HK\$1,103,760,000 (equivalent to RMB1,005,000,000), among which HK\$23,669,000 (equivalent to RMB21,551,000) of dividend was distributed to the shares retained by or on behalf of the Group for share award schemes. The dividend was subsequently paid on 15 July 2024.

On 22 August 2025, the board of directors resolved to declare an interim dividend of RMB0.076 per share for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

11. EARNINGS PER SHARE

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 1,975,217,000 (2024: 1,963,776,000) outstanding during the period. The number of shares for the current period has been arrived at after eliminating the shares of the Company held under the share award schemes.

The calculation of the diluted earnings per share amount is based on the profit for the six months ended 30 June 2025 attributable to ordinary equity holders of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued on the deemed exercise of all dilutive potential ordinary shares arising from share options granted by the Company.

11. EARNINGS PER SHARE (CONTINUED)

The calculations of basic and diluted earnings per share attributable to ordinary equity holders of the Company are based on the following data:

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Earnings:		
Earnings for the purpose of basic and diluted earnings per share	<u>256,117</u>	<u>501,179</u>
	For the six months ended 30 June	
	2025	2024
	'000	'000
	(Unaudited)	(Unaudited)
Shares:		
Weighted average number of ordinary shares for the purpose of the basic earnings per share calculation	1,975,217	1,963,776
Effect of dilutive potential ordinary shares:		
Share awards	<u>13,846</u>	<u>32,681</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>1,989,063</u>	<u>1,996,457</u>

12. INTANGIBLE ASSETS

The intangible assets held by the Group are mainly the contractual rights from the project management contracts with the project owners, which arose from the acquisition of Zhejiang Greentown Shangli Construction Management Co., Ltd. from third parties during 2022. The fair value of the intangible assets acquired at the acquisition date was RMB465,717,000. The contractual rights from the project management contracts with the project owners have finite useful lives and are amortized on a straight-line basis over a period of approximately eight years, which is the estimated weighted average remaining contractual period of the project management contracts acquired.

The amortization of the intangible assets charged for the current interim period is RMB29,124,000 (six months ended 30 June 2024: RMB32,284,000).

13. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade receivables	386,049	488,233
Less: Allowance for credit losses	(46,594)	(50,793)
	339,455	437,440
Other receivables	665,686	693,165
Less: Allowance for credit losses	(41,431)	(37,875)
	624,255	655,290
Prepayments and deposits	36,070	26,702
Total	999,780	1,119,432

Included in the trade receivables were bills receivable amounting to RMB10,169,000 as at 30 June 2025 (31 December 2024: RMB42,040,000). All bills received by the Group are with a maturity period of less than one year.

The Group does not for normally allow a credit period to its customers. For the receivables balance which have been past due for more day 90 days, the directors of the Company consider certain past due balances are not in default since certain balances could be recovered based on the historical repayment pattern of overdue receivables and the financial conditions of the corresponding customers.

The following is an ageing analysis of trade receivables (including bills receivable), net of allowance for credit losses, presented based on the invoice date:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 180 days	161,840	335,628
180 to 365 days	101,279	31,079
Over 365 days	76,336	70,733
Total	339,455	437,440

14. CONTRACT ASSETS

	30 June 2025 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Audited)
Project management service		
Contract assets	1,526,320	1,461,817
Less: Allowance for credit losses	(89,439)	(117,154)
	<u>1,436,881</u>	<u>1,344,663</u>
Total	<u><u>1,436,881</u></u>	<u><u>1,344,663</u></u>

15. TRADE AND OTHER PAYABLES

	30 June 2025 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Audited)
Trade payables	60,304	97,605
Other payables	1,021,758	969,314
Payroll payable	87,995	204,928
Provision for share of losses of joint ventures exceeded interests invested	14,238	14,238
	<u>1,184,295</u>	<u>1,286,085</u>
Total	<u><u>1,184,295</u></u>	<u><u>1,286,085</u></u>

The following is an ageing analysis of trade payables presented based on the invoice date:

	30 June 2025 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Audited)
Within 1 year	59,332	95,221
1 to 2 years	541	1,125
2 to 3 years	249	635
More than 3 years	182	624
	<u>60,304</u>	<u>97,605</u>
Total	<u><u>60,304</u></u>	<u><u>97,605</u></u>

MANAGEMENT DISCUSSION AND ANALYSIS

I. Overview of Interim Results

In the first half of 2025, the real estate industry as a whole continued its bottoming-out and adjustment phase, with policies driving a structural stabilization and recovery in the market. As a key sub-segment, the project management sector faced short-term challenges such as slowing scale growth, intensified competition, and more demanding terms in newly signed contracts on one hand, while on the other hand exhibiting industry restructuring with new characteristics like “concentration at the top, clearance at the tail end, and competition tending toward rationality”. Accompanied by the implementation of a series of supportive real estate policies, the project management business continued to nurture new incremental opportunities and room for transformation.

As an industry leader with twenty years of deep cultivation in the project management field, Greentown Management relies on strong credit performance capabilities from central state-owned enterprises, the endorsement of the Greentown brand, as well as its own outstanding capabilities in business development, resource integration, and delivery. Its market share has exceeded 20% for nine consecutive years, consistently maintaining the top position in the industry. In the first half of 2025, the Company achieved the GFA of newly contracted projects of 19.89 million sqm, with project management fees for the newly contracted projects of approximately RMB5.0 billion, total sales under project management of RMB41.9 billion, and delivered GFA of 4.65 million sqm, continuously creating value for clients, property owners and multiple partners.

During the Reporting Period, the net cash inflow from operating activities of the Company reached RMB112 million, representing an increase of 45% as compared with the corresponding period of last year; bank balances and cash reached RMB1.64 billion, representing an increase of 8% as compared with the end of 2024; gross profit reached RMB550 million, with a gross profit margin of approximately 40%, overall maintaining a healthy level; and net profit attributable to the owners of the Company reached RMB256 million, with a net profit margin attributable to the owners of the Company of approximately 19%, mainly affected by intensified market competition in the project management sector and the lagging effects of the overall downturn in the real estate industry. In the long term, with the counter-cyclical growth of the scale of newly contracted projects, the steady rise in the rate of repeat mandates, and the continuous optimization of revenue structure, it lays a solid foundation for the Company’s long-term stable and high-quality development.

II. Industry Review

Real Estate Market Continues to Bottom Out, Project Management Industry Scale Under Pressure

The downward pressure on the real estate market continues to transmit to the project management industry. The overall scale of the project management industry has declined, with trends toward tougher commercial terms and more demands from clients becoming evident. Additionally, under the influence of policies such as government repurchase of existing housing stock to provide affordable housing, traditional government project management business centered on affordable housing has decreased; the land acquisition scale of urban investment platforms, which account for nearly half of the industry's scale, has continued to shrink, and the marginal benefits of urban investment momentum have weakened, becoming the main challenges faced in the expansion of project management industry business.

Industry Concentration Increases, Competition Tends Toward Rationality

With major real estate companies largely completing their layout in the project management track, no new large-scale real estate firms entered the project management track in the first half of 2025. Industry concentration has further increased, with the Matthew Effect becoming prominent. Leading companies are placing greater emphasis on risk control, adopting a cautious approach to undertake high-risk, low-return projects. The trend of irrational market competition has eased somewhat, and the industry is gradually returning to rational development.

Policy Benefits Released, Incremental Opportunities Gradually Emerging

The accelerated implementation of policies for acquiring existing stock is promoting improvements in the supply-demand structure on the sales side, restoring market confidence, and benefiting the release of project management demand. Increased efforts in local debt restructuring help restore the payment capabilities of government clients, improving the efficiency of project management fee collections.

Additionally, local urban investment platform companies previously held large amounts of undeveloped land stock, and the scale of urban village transformation continues to expand. Policy-driven diversified business opportunities such as micro-renovations, micro-reconstructions, and high-quality housing are expected to continue emerging, with the industry's long-term development prospects still promising.

Overall, the real estate market pressure continues to affect the project management industry in the short term. However, the industry structure is changing at a faster pace, with increasing concentration among leading companies and competition gradually becoming more rational. Accompanied by existing stock repurchase, government debt restructuring, and the implementation of structural urban construction policies, the project management industry still possesses new incremental space and long-term opportunities for transformation and development.

III. Business Overview

Newly Expanded Business Grows Against the Trend, Strengthening Leadership Advantage

In the first half of 2025, the Company continued to solidify its position as the industry leader. The total GFA of newly contracted projects under project management business reached approximately 19.89 million sqm, representing a year-on-year increase of 13.9%. The project management fee for the newly contracted projects amounted to approximately RMB5.0 billion, representing a year-on-year increase of 19.1%.

The structure of newly contracted projects continued to optimize. The GFA of newly contracted commercial project management reached 16.16 million sqm, accounting for approximately 81% of the total, representing an increase of about 12 percentage points year-on-year. Among these, the activity of private enterprise clients increased significantly, rising by 8 percentage points to 37%. In terms of city tiers, the proportion of projects in first- and second-tier cities remained high at 58%, with major cities such as Hangzhou, Nanjing, and Shijiazhuang accounting for a relative high proportion.

During the Period, leveraging its outstanding investment research capabilities, robust business development capabilities and solid client base, the Company saw its bidding success rate and rate of repeat mandates from clients continue to climb, increasing steadily for three consecutive years. At the same time, we continued to deepen resource integration and strategic synergy. On one hand, we focused on deepening relationships with strategic clients and integrating industrial chain resources to enhance synergistic effects. On the other hand, we proactively connected capital providers with land resources, upgrading the “capital investor project management” business model to continuously expand the boundaries of business development.

Leading Delivery Scale, Fulfilling Operational Commitments

In the first half of 2025, the Company delivered 45 high quality projects, creating beautiful homes for approximately 25,600 households, with a total delivered GFA of 4.65 million sqm. The Company was ranked first in the “China Real Estate Project Management Enterprises Delivery Scale Ranking for the First Half of 2025” by the China Index Academy, with its delivered GFA accounting for 60% of the total delivered by the top ten companies on the list. It is estimated that there will still be a delivered GFA of nearly 10 million sqm in the second half of the year. The types of delivered projects include commercial project management, government project management, bail-out projects and industrial parks. Delivery satisfaction of the Company remained at an industry-leading rate of 92%, truly achieving the goal of “creating value for clients” and fulfilling the commitment of “providing more people with high-quality homes”.

Product Innovation and Iteration, Steady Progress in Capabilities

In the first half of 2025, Greentown Management, inheriting the aesthetic legacy of the Greentown brand, deeply integrated the characteristics of project management services for both B-end and C-end customers, continuously enhancing product competitiveness. In terms of product quality, the Company achieved comprehensive product upgrades through multidimensional initiatives, including localized innovation in high-rise building facades, iterative upgrades in low-density product facade styles, deepened interior refinement for enhanced living scenarios, and refreshed landscape IP designs. In terms of development capabilities, the on-time completion rate for key milestones reached 92%, representing an increase of 5 percentage points as compared with the corresponding period of last year, while the target cost achievement rate consistently maintained an excellent level of 100%.

Sales Growth Against the Trend, Steady Improvement in Metrics

In the first half of 2025, despite the overall pressure on new home sales, Greentown Management achieved counter-cyclical growth, recording sales under project management of RMB41.9 billion, and continued to lead the project management industry sales rankings. Key marketing metrics showed steady improvement, with continued enhancement in marketing capabilities. Metrics such as the fulfillment rate of initial project launches, site conversion rates, customer conversion rates, and the proportion of sales driven by digital marketing all saw year-on-year increases. The Company's ability to attract customers through new media strengthened, cost control capabilities became more prominent, and overall development showed a trend of improved efficiency, optimized costs, and steady growth in capabilities.

Management Optimization and Improvement, Boosting Operational Efficiency

To adapt to industry changes and promote the Company's long-term high-quality development, Greentown Management implemented multiple measures at the management level, continuously advancing the optimization of management mechanisms, organizational talent revitalization, operational decision-making efficiency and risk control systems. Specifically, through the full implementation of lump-sum operation and strengthened assessment mechanisms, the Company drove iterative updates to its management framework; through bringing in external strategic talent and internal mobility for key positions, it revitalized organizational talent vitality; by achieving decisions online efficiently and implementing full-process data-driven management, it significantly enhanced operational decision-making efficiency; and by consolidating regional-company-level risk control capabilities and forward-looking risk assessment at headquarters level, it systematically strengthened the foundation of corporate governance.

Leading the Development of the Industry, Manifesting Leadership

As a pioneer and leader in China's project management industry, Greentown Management has always taken it as its mission to promote the upgrading of the industry ecosystem, actively building a new pattern of collaborative industry development. Adhering to the philosophy of “co-building, co-sharing, and co-prospering”, the Company, based on its platform within the Project Management Branch of the China Real Estate Association, has taken the lead in promoting industry standardization. The industry standards it spearheaded have entered the trial evaluation phase, filling the gap in the project management evaluation system and promoting the healthy and orderly development of the industry, demonstrating the responsibility and leadership of a modern industry leader.

With its outstanding performance, the Company won over 30 industry honors, including “2025 China Project Management Enterprise Comprehensive Strength TOP 1”, “2025 January-June China Real Estate Project Management Enterprise Newly Signed Contract Scale TOP 1”, and “2025 January-June China Real Estate Project Management Enterprise Sales Scale TOP 1”, covering multiple core dimensions such as comprehensive strength, newly signed contract scale, delivery scale, and brand value, establishing its position as an industry benchmark with its strength.

IV. BUSINESS OUTLOOK

We believe that the real estate industry will be characterized by high-quality development, coordinated development, and safe and sustainable development in the future. Against this backdrop, the key determinant for the long-term success of project management business lies in whether a project management enterprise's professional capabilities and resource integration can deliver value to its customers.

Greentown Management will steadfastly adhere to its light-asset strategic focus, consolidating and enhancing its core project management business while exploring innovative business opportunities that synergize with its main business. In terms of project management, the Company maintains a robust order backlog with a well-distributed portfolio. As at the end of the first half of 2025, Greentown Management's contracted projects had a total GFA of 126.5 million sqm, with 77% concentrated in the four major urban clusters, of which 38.4% represents areas yet to be developed to ensure high-quality development of the Company. The Company will continue to accelerate the commencement of existing projects, and enhance the achievement rate of key operational objectives. In terms of new business opportunities, the Company will leverage the resource advantages of China Communications Construction Group and Greentown China to steadily explore “project management overseas”, expanding business growth. In terms of capability enhancement, the Company will focus on four core metrics, namely new project acquisition, sales, cash collections and delivery, while comprehensively strengthening core competencies: expansion capability, service capability, organizational capability and operational capability, etc.

Looking ahead, Greentown Management will continue to aim for maintaining its leading position, top brand, and top market value in the project management industry, steadily establishing itself as the leader in comprehensive real estate lifecycle services in China.

FINANCIAL ANALYSIS

For the six months ended 30 June 2025, the Group achieved:

Revenue

Revenue of RMB1,374.3 million, representing a year-on-year decrease of 17.7% compared with RMB1,669.6 million in the same period in 2024. Revenue is derived from two types of businesses: (i) project management services; and (ii) other services.

During the Period:

- (i) revenue from project management services was the Group's largest source of income and profit. Revenue reached RMB1,361.2 million for the Period, accounting for 99.0% of total revenue, representing a decrease of 17.0% compared to RMB1,640.0 million in the same period in 2024. The primary reason for the decline was the intensified competition in the project management industry in recent years, coupled with the lagging effect of the overall downturn in the real estate market, leading to a decrease in overall project revenue.
- (ii) revenue from other services was RMB13.1 million, accounting for 1.0% of the total revenue. This primarily consists of income from complementary consulting services provided to clients based on the Group's professional expertise accumulated through project management business. These services included project preliminary planning, technical consulting and management advisory, which were a valuable extension of the Group's core project management capabilities.

Costs of Services

During the Period, the costs of services were RMB823.9 million, representing an increase of 1.8% from RMB809.5 million in the same period in 2024. The increase was mainly due to a year-on-year increase of 13.9% in the total GFA of new project management projects, and the increase in newly contracted projects led to increased costs.

Gross Profit

The gross profit was RMB550.3 million, representing a decrease of 36.0% from RMB860.1 million in the same period in 2024. The gross profit margin was 40.0%, representing a decrease of 11.5 percentage points compared with 51.5% in the same period in 2024.

- The gross profit margins of the two business segments were: 40.0% for project management services and 49.3% for other services, compared to 51.4% and 59.3%, respectively, for the same period in 2024.
- The gross profit margin for the project management services was 40.0%, representing a decrease of 11.4 percentage points compared to 51.4% in the same period in 2024. The decrease was primarily due to intensified competition in the project management industry, downward pressure on industry fee rates, and relatively rigid labor costs, leading to a temporary reduction in gross profit levels.
- The gross profit margin of other services was 49.3%, representing a decrease of 10.0 percentage points compared to 59.3% in the same period in 2024. The primary reason for the decrease was that, in the same period last year, the Company generated revenue of RMB12.1 million from projects tendered by Greentown Real Estate Group Co., Ltd. and managed by Greentown Management Group, as the Company had not yet obtained the Grade One qualification for real estate development prior to its listing. The service costs for such projects were recorded by Greentown Real Estate Group Co., Ltd. and the Company recognized revenue based on the net gain settled with Greentown Real Estate Group Co., Ltd. No such revenue was recorded in the current period.

Other Income

During the Period, other income of the Group was RMB46.4 million, a decrease of 29.2% from RMB65.5 million in the same period in 2024. The decrease in other income was primarily due to the decrease in market deposit interest rates during the Period, resulting in reduced interest income.

Other Gains and Losses

During the Period, the other losses of the Group were RMB1.7 million. The losses were mainly due to the disposal of certain assets, which resulted in a loss of RMB2.0 million, as part of the Company's efforts to optimize its asset structure and accelerate cash recovery.

Selling and Administrative Expenses

Selling and administrative expenses amounted to RMB268.0 million, representing an increase of 0.8% compared to RMB265.8 million in the same period in 2024. The Group's under-construction project area has increased, while costs basically remained stable.

Profit during the Period

During the Period, the net profit was RMB272.9 million, representing a decrease of 44.4% from RMB491.2 million in the same period in 2024. The net profit attributable to the owners of the Company was RMB256.1 million, representing a decrease of 48.9% from the net profit attributable to the owners of the Company of RMB501.2 million in the same period in 2024.

Trade and Other Receivables

As at 30 June 2025, trade and other receivables amounted to RMB999.8 million, representing a decrease of 10.7% from RMB1,119.4 million at the end of 2024. The decrease was mainly due to accelerated cash collection, leading to a reduction in trade receivables. Trade receivables decreased by RMB98.0 million compared to the end of 2024.

Contract Assets

As at 30 June 2025, the Group's contract assets were RMB1,436.9 million, representing an increase of 6.9% from RMB1,344.7 million as at the end of 2024. Contract assets reflect the amounts related to certain projects of the Company that the obligations were fulfilled but have not yet reached the management fee collection milestone as agreed in the contract. This project will be converted into cash inflows from the Company's operating activities in the future.

Trade and Other Payables

As at 30 June 2025, the Group's trade and other payables amounted to RMB1,184.3 million, representing a decrease of 7.9% from RMB1,286.1 million as at the end of 2024. The decrease was mainly due to the reduction in the balance of payroll payable of RMB116.9 million.

Capital Structure

As at 30 June 2025, the total equity of the Group amounted to approximately RMB3,742.6 million, representing a decrease of approximately RMB199.0 million from RMB3,941.6 million as at the beginning of 2025. Among which, equity attributable to owners of the Company was approximately RMB3,594.3 million, representing a decrease of RMB215.9 million from RMB3,810.2 million at the beginning of 2025, mainly due to: (1) the net profit attributable to the owners of the Company of approximately RMB256.1 million achieved during the Period; (2) an increase in equity attributable to owners of the Company due to the recognition of equity-settled share-based payments of RMB2.2 million; and (3) a decrease of RMB482.4 million in equity attributable to owners of the Company resulting from the distribution of cash dividends to owners of the Company during the Period.

As at 30 June 2025, the Company had a total of 2,010,000,000 shares in issue, the total market capitalization of the Company was approximately HK\$5,950 million (based on the closing price on 30 June 2025).

Liquidity and Capital Resources

As at 30 June 2025, the Group had bank balances and cash (excluding pledged bank deposits) of RMB1,643.8 million (31 December 2024: RMB1,518.3 million); and the current ratio was 1.54 times (31 December 2024: 1.68 times). Gearing ratio (interest-bearing debt divided by total equity at the end of the same period) was 0.9% (31 December 2024: 0.9%).

During the Reporting Period, our liquidity was mainly tailored to meet the working capital needs. Internally generated cash flow was the main source of funding for our working capital, capital expenditures and other funding needs.

Debt

During the Reporting Period, the Group had no significant borrowings.

Foreign Exchange Risk

The Group conducts substantially all of its business in the PRC and in Renminbi. Therefore, the Group is exposed to relatively low foreign exchange risk. However, the depreciation or appreciation of Renminbi and HKD against foreign currencies may have impact on the Group's financial performance. Currently, the Group does not hedge foreign exchange risks, but will continue to closely monitor its exposure to foreign exchange risks. The management will consider hedging foreign exchange risks when the Group becomes materially affected by such risks.

Pledge of Assets

During the Reporting Period, the Group had no pledge of assets.

Asset Transactions and Significant Investments

During the Reporting Period, the Group had no asset transactions or significant investments other than its ordinary business activities.

Material Acquisitions and Disposals

During the Reporting Period, the Group had no material acquisition and disposal.

Treasury Management

Our treasury function undertakes the responsibility of cash management, liquidity planning and control, provision of cost-efficient financing for the Group, liaison with banks and other related institutions, investment in financial products as well as mitigation of financial risks such as interest and foreign exchanges risks. Our treasury function is designed to align with the long-term and short-term needs of the Group and comply with good governance standard.

Employees and Remuneration Policies

During the Reporting Period, the Group provided diversified training and personal development plans to its employees according to the established human resources policies and systems. The remuneration package offered to the employees was determined by their duties and the prevailing market standard. Discretionary bonuses based on individual performance will be paid to employees as recognition of and reward for their contributions. Staff benefits, including pension, medical coverage and provident funds are also provided to employees of the Group.

As at 30 June 2025, the Group had 2,543 employees, representing an increase of 7% as compared with 2,377 employees as at 31 December 2024, mainly due to the increase in project service personnel for newly contracted projects and the Company's talent upgrade reserve to adapt to business demands.

Interim Dividend

The Board has declared an interim dividend of RMB0.076 per share (equivalent to HK\$0.083308 per share, based on HK\$1.00:RMB0.91228, being the average exchange rate for the conversion of RMB against HK\$ as announced by the People's Bank of China for the five business days immediately preceding 22 August 2025) for the six months ended 30 June 2025, totaling RMB152.76 million. The interim dividend is expected to be paid on 15 December 2025 to the owners of the Company whose names appear on the Company's register of members on 5 December 2025, being the record date for determining the eligibility for the interim dividend.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 2 December 2025 to Friday, 5 December 2025 (both days inclusive), during which period no transfer of shares will be registered. In order to be eligible for the interim dividend, unregistered holders of shares should ensure that all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 1 December 2025.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any) during the Reporting Period.

As at 30 June 2025, the Company did not hold any treasury shares.

CORPORATE GOVERNANCE

Compliance with the Corporate Governance Code

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspect of business, to ensure that its business and operations are conducted in accordance with applicable laws and regulations and to enhance the transparency and accountability of the Board to all shareholders of the Company. During the six months ended 30 June 2025, the Company has adopted the code provisions in the Corporate Governance Code (the "**CG Code**") as set out in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") as its own corporate governance code. To the best knowledge of the Directors, the Company has complied with all applicable code provisions under the CG Code for the six months ended 30 June 2025.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors’ dealings in the securities of the Company. Having made specific enquiry of all the Directors, all the Directors confirmed that they have strictly complied with the required standards set out in the Model Code during the Reporting Period.

The Board has also adopted the Model Code to regulate all dealings in the securities of the Company by relevant employees who are likely to be in possession of unpublished inside information of the Company. Having made reasonable enquiry, no incident of non-compliance with the Model Code by relevant employees of the Company has been noted during the Reporting Period.

REVIEW OF INTERIM RESULTS

The announcement of interim results of the Group for the six months ended 30 June 2025 has been reviewed by the Audit Committee and approved by the Board. The auditor of the Company, Ernst & Young, has performed a review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” on the interim financial information of the Group for the six months ended 30 June 2025 prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting”, and issued a review report dated 22 August 2025.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, no significant events have taken place subsequent to 30 June 2025 and up to the date of this announcement.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.lcgljt.com). The interim report of the Company for the six months ended 30 June 2025 will be sent to the shareholders of the Company in due course and published on the websites of the Stock Exchange and the Company.

APPRECIATION

The Board would like to take this opportunity to express gratitude to our shareholders, clients, customers, suppliers, correspondent banks, professional consultants and all the employees for their continuous patronage and support to the Group.

By order of the Board
Greentown Management Holdings Company Limited
Guo Jiafeng
Co-Chairman and Non-Executive Director

Hong Kong, PRC, 22 August 2025

As at the date of this announcement, the Board comprises Mr. Guo Jiafeng and Mr. Geng Zhongqiang as non-executive Directors, Mr. Wang Junfeng and Ms. Nie Huanxin as executive Directors, and Mr. Lin Zhihong, Dr. Ding Zuyu and Mr. Chan Yan Kwan Andy as independent non-executive Directors.