

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



SCE Intelligent Commercial Management Holdings Limited

中駿商管智慧服務控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 606)

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

FINANCIAL HIGHLIGHTS

- Revenue was approximately RMB588.3 million.
- Gross profit margin was approximately 30.9%.
- Profit attributable to owners of the parent was approximately RMB34.1 million.
- The total contracted gross floor area (“GFA”) and GFA under management were approximately 46.0 million sq.m. and 35.0 million sq.m., respectively.

The board (the “**Board**”) of directors (the “**Directors**”) of SCE Intelligent Commercial Management Holdings Limited (the “**Company**”) is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**” or “**SCE CM**”) for the six months ended 30 June 2025, together with the comparative figures for the corresponding period in 2024, as follows:

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
		(Unaudited)	(Unaudited)
	Notes	RMB'000	RMB'000
REVENUE	4	588,283	622,507
Cost of sales		<u>(406,233)</u>	<u>(413,360)</u>
Gross profit		182,050	209,147
Other income and gains	4	30,289	33,193
Selling and marketing expenses		(4,095)	(4,303)
Administrative expenses		(140,189)	(120,034)
Finance cost	5	(96)	(140)
Share of profit of a joint venture		<u>653</u>	<u>653</u>
PROFIT BEFORE TAX	6	68,612	118,516
Income tax expense	7	<u>(27,864)</u>	<u>(34,705)</u>
PROFIT FOR THE PERIOD		<u>40,748</u>	<u>83,811</u>
OTHER COMPREHENSIVE INCOME/(LOSS):			
Other comprehensive income/(loss) that may not be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		<u>997</u>	<u>(535)</u>
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		<u>997</u>	<u>(535)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u><u>41,745</u></u>	<u><u>83,276</u></u>

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

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
		(Unaudited)	(Unaudited)
	<i>Note</i>	RMB'000	RMB'000
Profit attributable to:			
Owners of the parent		34,120	80,432
Non-controlling interests		6,628	3,379
		<u>40,748</u>	<u>83,811</u>
Total comprehensive income attributable to:			
Owners of the parent		35,117	79,897
Non-controlling interests		6,628	3,379
		<u>41,745</u>	<u>83,276</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted	9	<u>RMB1.76 cents</u>	<u>RMB4.16 cents</u>

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

		30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
	<i>Notes</i>		
NON-CURRENT ASSETS			
Property and equipment		33,127	36,142
Investment properties		982,029	996,686
Intangible asset		21	147
Prepayments		5,024	5,024
Amount due from a related party		871,635	747,756
Investment in a joint venture		3,272	2,619
Deferred tax assets		53,974	56,198
		<hr/>	<hr/>
Total non-current assets		1,949,082	1,844,572
		<hr/>	<hr/>
CURRENT ASSETS			
Trade receivables	10	272,585	264,062
Prepayments, deposits and other receivables		126,960	103,963
Cash and cash equivalents		1,196,296	1,299,809
		<hr/>	<hr/>
Total current assets		1,595,841	1,667,834
		<hr/>	<hr/>
CURRENT LIABILITIES			
Trade payables	11	143,417	135,803
Other payables and accruals		280,388	328,278
Contract liabilities		290,434	261,894
Tax payable		53,106	49,375
		<hr/>	<hr/>
Total current liabilities		767,345	775,350
		<hr/>	<hr/>
NET CURRENT ASSETS		828,496	892,484
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,777,578	2,737,056
		<hr/>	<hr/>

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Continued)
30 June 2025

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
NON-CURRENT LIABILITIES		
Lease liabilities	573	1,870
Deferred tax liabilities	1,040	1,301
	<hr/>	<hr/>
Total non-current liabilities	1,613	3,171
	<hr/>	<hr/>
Net assets	2,775,965	2,733,885
	<hr/> <hr/>	<hr/> <hr/>
EQUITY		
Equity attributable to owners of the parent		
Issued capital	16,024	16,024
Reserves	2,731,292	2,695,840
	<hr/>	<hr/>
	2,747,316	2,711,864
	<hr/>	<hr/>
Non-controlling interests	28,649	22,021
	<hr/>	<hr/>
Total equity	2,775,965	2,733,885
	<hr/> <hr/>	<hr/> <hr/>

NOTES:

1. BASIS OF PREPARATION

The Company is a limited liability company incorporated in the Cayman Islands on 20 August 2019. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The addresses of the principal place of business of the Company in the People's Republic of China (the “**PRC**”) and Hong Kong are 5/F, SCE Tower, No. 2, Lane 1688, Shenchang Road, Hongqiao Business District, Shanghai, China and Room 2502-03A, Landmark South, 39 Yip Kan Street, Wong Chuk Hang, Hong Kong, respectively. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 2 July 2021.

During the period, the Group was involved in the provision of property management services and value-added services in the PRC.

In the opinion of the Directors, Happy Scene Global Limited, a company incorporated in the British Virgin Islands (the “**BVI**”), is the immediate holding company of the Company, and China SCE Group Holdings Limited (together with its subsidiaries but excluding the Group, the “**China SCE Group**”), a company incorporated in the Cayman Islands and whose shares are listed on the Main Board of the Stock Exchange, is the controlling shareholder of the Company.

The unaudited interim condensed consolidated financial statements of the Group for the six months ended 30 June 2025 have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 *Interim Financial Reporting* as issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

These unaudited interim condensed consolidated financial statements have been prepared under the historical cost convention. These unaudited interim condensed consolidated financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand (“**RMB'000**”) except when otherwise indicated.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements 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 HKFRS Accounting Standard ("**HKFRS**") for the first time for the current period's financial information.

Amendments to HKAS 21

Lack of Exchangeability

The application of the revised standards has had no significant impact on the preparation of the Group's unaudited interim condensed consolidated financial statements.

3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the provision of property management services and value-added services. Information reported to the Group's chief operating decision maker, for the purpose of resource allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment information is available. Accordingly, no operating segment information is presented.

Geographical information

No geographical information is presented as the Group's revenue from the external customers is derived solely from its operation in Chinese Mainland during the six months ended 30 June 2025 and 2024 and the non-current assets of the Group were substantially located in Chinese Mainland as at 30 June 2025 and 31 December 2024.

Information about major customers

There is no revenue derived from sales to a single customer or a group of customers under common control accounted for 10% or more of the Group's total revenue for the six months ended 30 June 2025 and 2024.

4. REVENUE, OTHER INCOME AND GAINS

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

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Types of goods or services		
<i>Revenue from contracts with customers</i>		
Property management services	487,802	490,036
Value-added services	84,878	117,378
	<hr/>	<hr/>
Subtotal	572,680	607,414
	<hr/>	<hr/>
Revenue from other sources		
Gross rental income from investment property operating leases:		
Variable lease payments that do not depend on an index or a rate	1,540	1,126
Other lease payments, including fixed payments	14,063	13,967
	<hr/>	<hr/>
Subtotal	15,603	15,093
	<hr/>	<hr/>
Total revenue	588,283	622,507
	<hr/> <hr/>	<hr/> <hr/>

An analysis of the Group's other income and gains is as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Bank interest income	3,645	5,197
Gain on disposal of items of property and equipment, net	2	5
Forfeiture income on deposits received	173	310
Government grants	641	144
Interest income from a related party	24,343	26,832
Foreign exchange gain, net	723	6
Others	762	699
	<hr/>	<hr/>
	30,289	33,193
	<hr/> <hr/>	<hr/> <hr/>

5. FINANCE COST

An analysis of the Group's finance cost is as follows:

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Interest on lease liabilities	<u>96</u>	<u>140</u>

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Cost of services provided	406,233	413,360
Depreciation of property and equipment	7,001	7,771
Depreciation of right-of-use assets	1,328	1,866
Depreciation of investment properties	14,657	14,734
Amortisation of an intangible asset	126	126
Gain on disposal of property and equipment, net	(2)	(5)
Employee benefit expense (including directors' remuneration):		
Salaries, bonuses and benefits in kind	183,034	225,804
Share-based payment expenses	335	870
Pension scheme contributions	<u>36,588</u>	<u>41,288</u>
	<u>219,957</u>	<u>267,962</u>
Impairment losses of trade receivables, net	45,135	27,440
Loss on disposal of subsidiaries, net	219	—
Foreign exchange gain, net	<u>(723)</u>	<u>(6)</u>

7. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which the Group's subsidiaries are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands and the BVI, the entities within the Group incorporated in the Cayman Islands and the BVI are not subject to any income tax. No provision for Hong Kong profits tax has been made during the periods as the Group did not generate any assessable profits arising in Hong Kong during these periods.

Subsidiaries of the Group operating in Chinese Mainland are generally subject to the PRC corporate income tax ("CIT") at a rate of 25% for the periods.

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current charge for the period:		
PRC CIT	25,901	35,058
Over-provision in prior periods, net:		
Chinese Mainland	<u>–</u>	<u>(786)</u>
	25,901	34,272
Deferred	<u>1,963</u>	<u>433</u>
Total tax charge for the period	<u>27,864</u>	<u>34,705</u>

8. DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent of approximately RMB34,120,000 (six months ended 30 June 2024: RMB80,432,000), and the weighted average number of ordinary shares of 1,935,000,000 (six months ended 30 June 2024: 1,935,000,000) outstanding (excluding treasury shares) during the period.

No adjustment has been made to the basic earnings per share amounts presented for the six months ended 30 June 2025 and 2024 in respect of a dilution as the Group had no potential dilutive ordinary shares outstanding during these periods.

10. TRADE RECEIVABLES

Trade receivables represented receivables arising from property management services and value-added services. The Group charges fees on a quarterly or monthly basis and the payment is generally due upon the issuance of demand notes. Overdue balances are reviewed regularly by management. Except for the balances with the China SCE Group and joint ventures and associates of the China SCE Group, the Group's trade receivables relate to a number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are interest-free.

The amounts due from the China SCE Group and joint ventures and associates of the China SCE Group are repayable on credit terms similar to those offered to the major customers of the Group.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Current to 90 days	59,888	50,974
91 to 180 days	43,828	45,717
181 to 365 days	43,859	60,108
Over 365 days	125,010	107,263
	<u>272,585</u>	<u>264,062</u>

11. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Current to 90 days	115,012	101,012
91 to 365 days	23,070	29,209
Over 365 days	5,335	5,582
	<u>143,417</u>	<u>135,803</u>

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The Group is a service provider focusing on property management services with operations in the West Taiwan Strait Economic Zone, the Yangtze River Delta Economic Zone, the Bohai Rim Economic Zone, the Guangdong-Hong Kong-Macao Greater Bay Area and the Central Western Region. As at 30 June 2025, there were 31 contracted commercial properties with a total contracted GFA of approximately 3.9 million sq.m. and 14 commercial properties under management with a total GFA under management of approximately 1.7 million sq.m..

The Group also provides property management services to residential properties. As at 30 June 2025, there were 216 contracted residential projects with a total contracted GFA of approximately 42.1 million sq.m. and 203 residential projects under management with a total GFA under management of approximately 33.3 million sq.m..

BUSINESS REVIEW

During the six months ended 30 June 2025 (the “**Period**”), the Group’s business comprised the following major business segments, namely (i) commercial property management and operational services; and (ii) residential property management services.

During the Period, the Group’s revenue by business segment is as follows:

	Six months ended 30 June	
	2025	2024
	<i>RMB’000</i>	<i>RMB’000</i>
Commercial property management and operational services	169,115	221,842
Residential property management services	419,168	400,665
Total	588,283	622,507

Commercial property management and operational services

During the Period, the Group's commercial property management and operational services segment recorded total revenue of approximately RMB169.1 million, representing a year-on-year decrease of approximately 23.8%; GFA under management of approximately 1.7 million sq.m., representing a year-on-year slight increase of approximately 2.9%; the number of projects under management of 14 projects, representing a year-on-year decrease of three projects; and contracted GFA of approximately 3.9 million sq.m., representing a year-on-year decrease of approximately 15.1%.

During the Period, the contracted GFA, GFA under management and revenue under the Group's commercial property management and operational services segment by geographical area are as follows:

	Six months ended 30 June					
	2025			2024		
	Contracted	GFA	Revenue	Contracted	GFA	Revenue
	GFA	under		GFA	under	
	sq.m.	sq.m.	RMB	sq.m.	sq.m.	RMB
	(in thousands)			(in thousands)		
Yangtze River Delta Economic Zone	1,240	449	33,363	1,752	353	59,429
West Taiwan Strait Economic Zone	750	577	60,623	879	571	82,790
Bohai Rim Economic Zone	684	325	48,252	739	379	61,060
Guangdong-Hong Kong-Macao						
Greater Bay Area	611	266	16,332	611	266	6,043
Central Western Region	624	112	10,545	624	112	12,520
Total	<u>3,909</u>	<u>1,729</u>	<u>169,115</u>	<u>4,605</u>	<u>1,681</u>	<u>221,842</u>

Certain information of the Group's commercial properties under management as at 30 June 2025 and 2024 was set out below:

Project	Opening Date	Property Type	Location	Geographic Region	Occupancy Rate		GFA under Management	
					2025 %	As of 30 June 2024 %	2025 sq.m.	2024 sq.m.
Xiamen SCE Building	January 2007	Office building	Xiamen	West Taiwan Strait Economic Zone	N/A	82.5	N/A	50,309
Beijing CBD SCE Funworld	September 2009	Shopping street	Beijing	Bohai Rim Economic Zone	N/A	85.4	N/A	54,484
Quanzhou SCE Funworld	May 2014	Shopping mall	Quanzhou	West Taiwan Strait Economic Zone	92.7	90.4	180,929	180,929
Quanzhou SCE Plaza Office Building	August 2018	Office building	Quanzhou	West Taiwan Strait Economic Zone	N/A	78.0	N/A	45,972
Shishi Fortune Center	September 2018	Office building	Quanzhou	West Taiwan Strait Economic Zone	N/A	78.1	N/A	33,380
Nan'an SCE Funworld	December 2018	Shopping mall	Quanzhou	West Taiwan Strait Economic Zone	97.8	97.7	72,618	72,618
Tianyue	October 2020	Office building	Shanghai	Yangtze River Delta Economic Zone	N/A	53.8	N/A	52,499
Shuitou SCE Funworld	December 2020	Shopping mall	Quanzhou	West Taiwan Strait Economic Zone	85.2	82.5	105,290	105,290
Xianyou SCE Funworld	December 2020	Shopping mall	Putian	West Taiwan Strait Economic Zone	92.9	92.8	82,678	82,678
Taizhou SCE Funworld	December 2021	Shopping mall	Taizhou	Yangtze River Delta Economic Zone	88.8	90.7	199,625	199,625
Heyuan SCE Funworld	December 2021	Shopping mall	Heyuan	Guangdong-Hong Kong-Macao Greater Bay Area	77.2	76.1	111,084	111,084
Pingdingshan SCE Funworld	December 2021	Shopping mall	Pingdingshan	Central Western Region	98.1	97.1	111,142	111,142
Zhangjiagang SCE Funworld	December 2021	Shopping mall	Suzhou	Yangtze River Delta Economic Zone	94.6	98.3	100,825	100,825
Gaomi SCE Funworld	December 2022	Shopping mall	Weifang	Bohai Rim Economic Zone	92.6	93.5	143,634	143,634
Tangshan SCE Funworld	March 2023	Shopping mall	Tangshan	Bohai Rim Economic Zone	94.3	94.9	78,048	78,048
Beijing West Chang'an SCE Funworld	March 2023	Shopping mall	Beijing	Bohai Rim Economic Zone	95.3	98.3	103,453	103,453
Shantou SCE Funworld	December 2023	Shopping mall	Shantou	Guangdong-Hong Kong-Macao Greater Bay Area	82.1	88.7	154,710	154,710
Kunshan Huaqiao SCE Funworld	October 2024	Shopping mall	Shanghai	Yangtze River Delta Economic Zone	95.4	N/A	148,826	N/A
Fuzhou SCE Funworld	December 2024	Shopping mall	Fuzhou	West Taiwan Strait Economic Zone	93.5	N/A	136,213	N/A
Total					91.3	87.1	1,729,075	1,680,680

Nowadays, the business landscape is evolving at an accelerated pace, with “Generation Z” gradually emerging as the dominant consumer force. Their consumption philosophies, content preferences, purchasing channels, and communication methods are undergoing significant changes. Concurrently, the industry has entered a phase of adjustment and resource consolidation following the era of excessive shopping mall development. At the same time, brand expansion strategies have shifted towards prioritising quality and investment efficiency. Adhering to its business strategy of “Store-specific Policies” to closely keep up with market trends and regional demands, SCE CM has made proactive adjustments and transformations to continuously stimulate commercial vitality. It also conducts in-depth research into brands’ single-store models, evaluates shopping mall profitability, and introduces highly competitive and sustainable brands.

In the first half of 2025, SCE CM focused on intensive operations and actively optimised their brand portfolio across all shopping malls nationwide. The overall brand adjustment rate exceeded 10%, leading to a significant increase in the number of visitors and sales per sq.m.. Capitalising on the trend of vertical segmentation within the sports brand sector, Quanzhou SCE Funworld introduced various international sports brands opening their first stores in Quanzhou, covering multiple specialised areas such as trail running, mountaineering, skiing, and golf, thereby creating a one-stop premium sports experience destination. Targeting the young “Generation Z” customers, Fuzhou SCE Funworld attracted customers with anime-themed initiatives and converted them into sales through trendy brand first stores and super brand flagship store offerings. In the first half of 2025, it further strengthened its commercial content matrix by introducing fashion apparel, trendy toys, and other brands, creating a vibrant urban attraction for young people. Furthermore, as a key driver of foot traffic for shopping malls currently, food and beverage consumption is crucial for brand rejuvenation. Kunshan Huaqiao, Pingdingshan, and Nan’an SCE Funworlds continued to upgrade their food and beverage brands. Focusing on the catering demands of lower-tier markets, they enriched food and beverage offerings with regional characteristics, stimulated consumption through local preferences, spearheaded urban brand rejuvenation, and established themselves as the commercial hubs of choice within their respective regions.

In the Period, SCE CM proactively leveraged emotional touchpoints to create differentiated commercial marketing campaigns, such as the “Fun World, Blissful Spring Festival” and the “6 June Happy Life Festival”. These initiatives achieved outstanding results with significant year-on-year increases in both number of visitors and sales, demonstrating the robust commercial momentum of SCE Funworld. SCE CM also further consolidated its comprehensive online marketing channels and established its own new media communication platform, boosting brand growth and marketing effectiveness. Furthermore, amid the trend of personalised consumption behaviour, SCE CM continued to strengthen its “Digital Intelligence Empowerment” strategy. It utilised digital intelligence operation tools to analyse consumer behaviour, upgraded its membership benefits system, and precisely addressed the diverse needs of consumers.

Residential Property Management Services

During the Period, the Group's residential property management services segment recorded total revenue of approximately RMB419.2 million, representing a year-on-year increase of approximately 4.6%; GFA under management was approximately 33.3 million sq.m., representing a year-on-year increase of approximately 8.0%; the number of projects under management was 203, representing a year-on-year increase of 17 projects; and contracted GFA was approximately 42.1 million sq.m., representing a year-on-year slight decrease of approximately 2.3%.

During the Period, the contracted GFA, GFA under management and revenue under the Group's residential property management services segment by geographical area are as follows:

	Six months ended 30 June					
	2025			2024		
	Contracted	GFA	Revenue	Contracted	GFA	Revenue
	GFA	under		GFA	under	
	sq.m.	sq.m.	RMB	sq.m.	sq.m.	RMB
	(in thousands)			(in thousands)		
Yangtze River Delta Economic Zone	8,648	6,933	69,633	8,829	5,654	70,051
West Taiwan Strait Economic Zone	16,338	15,100	196,548	16,031	13,846	191,890
Bohai Rim Economic Zone	4,852	3,169	60,555	6,281	4,084	60,512
Guangdong-Hong Kong-Macao						
Greater Bay Area	4,393	2,446	31,509	4,244	2,225	27,675
Central Western Region	7,886	5,606	60,923	7,702	4,976	50,537
Total	<u>42,117</u>	<u>33,254</u>	<u>419,168</u>	<u>43,087</u>	<u>30,785</u>	<u>400,665</u>

In the residential property management business segment, the Group conducts in-depth market analysis, remains committed to service excellence, strengthens fundamental quality, and upholds the concept of sustainable operation, steadfastly pursuing high-quality development goals. Through measures including service model optimisation, refinement of service details, enhancement of organisational efficiency, and upgrading of intelligent systems, the Group continuously improves service quality and effectiveness. It builds a corporate moat with service capabilities characterised by “Precision Matching and Excellence in Quality”. Customer experience is the core benchmark for service improvement. Based on accurate market insights, the Group has established a three-dimensional service framework comprising “Butler-Style Service”, “Hotel-Style Service” and “Full-cycle One-stop Service”. Combined with customised community cultural operations, the framework provides tailored service solutions for diverse customer segments, creating a comfortable and desirable living environment, and ultimately achieving enhancement in both service precision and satisfaction. Beyond basic property management services, the Group leverages the momentum of intelligent systems and quality upgrades to continue expanding its value-added services, encompassing household management, cleaning, exquisite residence services, asset leasing, and community energy/health solutions. Diversifying services not only helps broaden profit sources but also enhances resident convenience and life satisfaction for property owners. This establishes a virtuous cycle of “Service Upgrade-Value Creation-Sustainable Development”, delivering enduring value for property owners and strengthening the Group’s strategic foundation for long-term competitiveness.

OUTLOOK

Amidst the constantly evolving business landscape, the rapid rise of “Generation Z” consumers, coupled with consumption stratification driven by economic downturn, traditional enterprises face significant challenges. Commercial property operators need to enhance their ability to identify market shifts and develop responsive solutions, vigorously secure resources to lead operational teams to success, and possess the foresight to plan for the sustainable, healthy growth of future projects. Adhering to the principle of “Beginning with the End in Mind”, they should anchor their objectives, identify obstacles, and tackle challenges that could affect future project development. During periods of environmental change, it is often a critical juncture for businesses to establish emotional connection with consumers. The essence of future commercial property operations also lies in working hand-in-hand with tenants to serve consumers effectively.

2025 marks a solid start and a pivotal year for SCE CM’s “Three Year Enhancement” plan, as it transitions from a steady start to deeper implementation. SCE CM consistently adheres to localised adaptation to enhance differentiated competitiveness. The Group upholds the following operational strategies: (1) continuously monitor and analyse local consumption trends to sharpen project positioning; (2) refine pre-leasing planning, formulating appropriate tenant sourcing strategies based on project positioning and sales per sq.m.; (3) persist with in-depth operations and precise marketing, prioritising and activating membership assets; and (4) reduce costs and enhance efficiency to improve operational effectiveness and strengthen market competitiveness.

Looking ahead to the second half of 2025, SCE CM will not only leverage digital technologies to enhance operational quality and efficiency but will also continue to maintain high-quality commercial content, uphold in-depth operation, and increase investment to ensure high-quality, refined operations. Steadfastly upholding long-termism and advancing its differentiated “Store-specific Policies” operational strategy, SCE CM will persistently explore pathways to breakthrough in the evolving commercial era, and pursue joint development with tenants, consumers, and its operational teams.

FINANCIAL REVIEW

Revenue

Revenue decreased by approximately 5.5% from approximately RMB622.5 million in the first half of 2024 to approximately RMB588.3 million in the Period. A breakdown of the Group’s revenue by service category for the periods indicated is set out below:

	Six months ended 30 June			
	2025		2024	
	Revenue RMB’000	Percentage %	Revenue RMB’000	Percentage %
Commercial property management and operational services				
Basic commercial property management services	99,131	16.8	134,447	21.6
Other value-added services and rental income	69,984	11.9	87,395	14.0
Subtotal	169,115	28.7	221,842	35.6
Residential property management services				
Basic residential property management services	388,671	66.1	355,589	57.1
Value-added services to non-property owners	739	0.1	8,968	1.5
Community value-added services	29,758	5.1	36,108	5.8
Subtotal	419,168	71.3	400,665	64.4
Total	588,283	100.0	622,507	100.0

Basic Commercial Property Management Services

The Group's basic commercial property management services mainly include cleaning, security, repair and maintenance, tenant assistance, marketing and promotion services provided to property developers, property owners and tenants. The Group's revenue from basic commercial property management services decreased by approximately 26.3% from approximately RMB134.4 million in the first half of 2024 to approximately RMB99.1 million in the Period, accounting for approximately 16.8% of the revenue. This was mainly due to the termination of property management contracts for certain projects in the Period.

Other Value-added Services and Rental Income

The Group's other value-added services and rental income mainly include tenant management, rental collection, parking lot management, advertising space and other common area management services provided after the opening of commercial properties, and rental income. The Group's revenue from other value-added services and rental income decreased by approximately 19.9% from approximately RMB87.4 million in the first half of 2024 to approximately RMB70.0 million in the Period, accounting for approximately 11.9% of the revenue. This was due to the decrease in tenant's demand for other value-added services resulting from unfavourable economic environment.

Basic Residential Property Management Services

The Group's basic residential property management services mainly include cleaning, security, landscaping and repair and maintenance services provided to property owners, property owners' committees or property developers. The Group's revenue from basic residential property management services increased by approximately 9.3% from approximately RMB355.6 million in the first half of 2024 to approximately RMB388.7 million in the Period, accounting for approximately 66.1% of the revenue. This was due to the increase in GFA under management.

Value-added Services to Non-property Owners

The Group's value-added services to non-property owners mainly include the provision of pre-sale management services to property developers during pre-sale activities, such as cleaning, security and repair and maintenance services for pre-sale display units and sales offices, pre-delivery inspection services and car park sales services for car parks that remained unsold after the pre-sale period. The Group's revenue from value-added services to non-property owners decreased significantly by approximately 91.8% from approximately RMB9.0 million in the first half of 2024 to approximately RMB0.7 million in the Period, accounting for approximately 0.1% of the revenue. This was due to the significant decrease in the revenue from the provision of sales office management services and pre-delivery inspection services.

Gross Profit

Gross profit decreased by approximately 13.0% from approximately RMB209.1 million in the first half of 2024 to approximately RMB182.1 million in the Period. The overall gross profit margin decreased from approximately 33.6% in the first half of 2024 to approximately 30.9% in the Period. The decrease in gross profit margin was mainly due to the decrease in the revenue derived from the provision of value-added services which were with higher gross profit margins.

Other Income and Gains

Other income and gains decreased by approximately 8.7% from approximately RMB33.2 million in the first half of 2024 to approximately RMB30.3 million in the Period. The decrease in other income and gains was mainly due to the decrease in interest income.

Administrative Expenses

Administrative expenses increased by approximately 16.8% from approximately RMB120.0 million in the first half of 2024 to approximately RMB140.2 million in the Period. The increase in administrative expenses was mainly attributable to the impairment losses of trade receivables.

Income Tax Expense

Income tax expense decreased by approximately 19.7% from approximately RMB34.7 million in the first half of 2024 to approximately RMB27.9 million in the Period. Income tax expense as a percentage of profit before taxation increased from 29.3% in the first half of 2024 to 40.6% in the Period, mainly resulted from the impairment losses of trade receivables, which was not deductible for tax purposes.

Profit Attributable to Owners of the Parent

Profit attributable to owners of the parent decreased significantly by approximately 57.6% from approximately RMB80.4 million in the first half of 2024 to approximately RMB34.1 million in the Period. The decrease in profit attributable to owners of the parent was primarily due to: (1) a decrease in the revenue derived from value-added services, which were with higher gross profit margins; and (2) impairment losses of trade receivables, due to the unfavourable macroeconomic environment. Basic earnings per share amounted to approximately RMB1.76 cents in the Period.

Amount Due From a Related Party

The Group's amount due from a related party was a loan advanced to China SCE Group charged initially at an interest rate of 7.0% per annum. From 1 January 2025 onward, the interest rate had been adjusted to 5.5% per annum. The maturity date of the loan had been extended for two years from 31 December 2024 to 31 December 2026.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Cash Position

As at 30 June 2025, the Group's cash and bank balances were denominated in different currencies as set out below:

	30 June 2025 RMB'000	31 December 2024 RMB'000
Renminbi	1,195,574	1,254,600
Hong Kong dollars	681	635
US dollars	41	44,574
	<hr/>	<hr/>
Total cash and bank balances	<u>1,196,296</u>	<u>1,299,809</u>

Borrowings

As at 30 June 2025, the Group did not incur any borrowings (31 December 2024: Nil).

The gearing ratio was calculated by dividing the net amount of interest-bearing borrowings by total equity. As at 30 June 2025, the gearing ratio was nil (31 December 2024: Nil).

Exchange Rate Fluctuation Exposures

The Group's businesses are located in the PRC and all of the revenue and a substantial amount of operating expenses of the Group are denominated in RMB. As at 30 June 2025 and 31 December 2024, except for certain bank deposits which were denominated in foreign currencies, exchange rate changes of RMB against foreign currencies will not have material adverse effect on the results of operations of the Group.

No foreign currency hedging arrangement was made as at 30 June 2025 (31 December 2024: Nil). The Group will closely monitor its exposure to fluctuation in foreign currency exchange rates.

CORPORATE GOVERNANCE

During the Period, the Company and the Board has complied with all applicable code provisions under the Corporate Governance Code (the “**CG Code**”) in force during the Period as set out in Part 2 of Appendix C1 to the Listing Rules.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

Pursuant to the provisions of the CG Code, the Company established the audit committee (the “**Audit Committee**”) on 10 June 2021. In compliance with Rule 3.21 of the Listing Rules, the Audit Committee of the Company shall only consist of non-executive Directors and be chaired by an independent non-executive Director. During the Period, the Audit Committee comprises three independent non-executive Directors, namely Mr. Pang Hon Chung as the chairman and Mr. Wang Yongping and Mr. Ding Zuyu as the members.

Mr. Pang Hon Chung, chairman of the Audit Committee, has considerable experience in accounting and financial management, which is in line with the requirement of Rule 3.10(2) of the Listing Rules which requires that at least one of the independent non-executive directors must have appropriate professional qualifications or accounting or related financial management expertise.

The Audit Committee has reviewed the accounting policies adopted by the Group, the unaudited interim condensed consolidated financial statements of the Group for the six months ended 30 June 2025 and this interim results announcement.

MODEL CODE FOR SECURITIES TRANSACTIONS BY THE DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as its code of conduct for securities transactions by the Directors.

The Company has made specific enquiries of all the Directors and all the Directors confirmed that they have strictly complied with the required standards set out in the Model Code during the Period.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the Period, neither the Company nor its subsidiaries had purchased, redeemed or sold any of the Company’s listed securities (including sale of treasury shares).

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the Period (six months ended 30 June 2024: Nil).

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the websites of the Company (www.sce-icm.com) and the Stock Exchange (www.hkexnews.hk). The 2025 interim report of the Group containing the relevant information required by the Listing Rules will be published on the websites of the Company and of the Stock Exchange in due course.

By order of the Board
SCE Intelligent Commercial Management Holdings Limited
Wong Lun
Chairman

Hong Kong, 28 August 2025

As at the date of this announcement, the executive Directors are Mr. Wong Lun, Mr. Niu Wei, Mr. Sun Qiang, Mr. Zheng Quanlou and Ms. Ku Weihong and the independent non-executive Directors are Mr. Ding Zuyu, Mr. Wang Yongping and Mr. Pang Hon Chung.