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

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 9608)**

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

The board (the “**Board**”) of directors (the “**Director(s)**”) of Sundy Service Group Co. Ltd (the “**Company**”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025 (the “**Period**”), together with the comparative figures for the corresponding period in 2024. The results of the Group for the Period have been reviewed by the audit committee of the Company (the “**Audit Committee**”) and approved by the Board on 28 August 2025.

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

## RESULTS HIGHLIGHTS

### Financial performance of the Group

- Revenue of the Group was RMB116.5 million during the Period, representing a slight decrease of 1.0% as compared with RMB117.6 million in the corresponding period in 2024.
- Revenue generated from four business lines during the Period are as follows: (i) revenue from property management services was RMB93.9 million, representing an increase of 1.8% as compared with that in the corresponding period in 2024; (ii) revenue from value-added services to non-property owners was RMB4.5 million, representing a decrease of 32.9% as compared with that in the corresponding period in 2024; (iii) revenue from community value-added services was RMB8.8 million, representing an increase of 2.7% as compared with that in the corresponding period in 2024; and (iv) revenue from other businesses was RMB9.3 million, representing a decrease of 8.4% as compared with that in the corresponding period in 2024.
- Gross profit was RMB30.8 million during the Period, representing an increase of 40.9% as compared with that in the corresponding period in 2024. Gross profit margin was 26.5% during the Period, representing an increase of 7.9 percentage points as compared with that in the corresponding period in 2024.
- Profit attributable to owners of the Company was RMB10.6 million during the Period, representing an increase of 98.8% as compared with RMB5.3 million in the corresponding period in 2024.
- The Group's total gross floor area ("GFA") under management was 8.5 million sq.m. as at 30 June 2025, representing a decrease of 5.6% as compared with that as at 30 June 2024. The Group's total contracted GFA was 9.6 million sq.m. as at 30 June 2025.

# UNAUDITED CONDENSED 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
	Notes	RMB'000	RMB'000
		(Unaudited)	(Unaudited)
<b>Revenue</b>	4	<b>116,460</b>	117,602
Cost of sales and services rendered		<u>(85,623)</u>	<u>(95,723)</u>
<b>Gross profit</b>		<b>30,837</b>	21,879
Interest income		<b>941</b>	1,220
Other income and gains	6	<b>2,455</b>	1,741
Selling and marketing expenses		<b>(532)</b>	(487)
Administrative expenses		<b>(10,301)</b>	(13,219)
Impairment loss on trade and other receivables		<b>(11,034)</b>	(6,305)
Other expenses		<b>(292)</b>	(168)
Share of (loss)/profit of an associate		<b>(154)</b>	402
Finance costs	7	<u><b>(42)</b></u>	<u>(42)</u>
<b>Profit before taxation</b>		<b>11,878</b>	5,021
Income tax expense	8	<u><b>(5,585)</b></u>	<u>(682)</u>
<b>Profit for the period</b>	9	<u><b>6,293</b></u>	<u>4,339</u>
<b>Other comprehensive (expense)/income:</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Exchange differences on translation of financial statements of the Company		<u><b>(1,331)</b></u>	<u>652</u>
		<u><b>(1,331)</b></u>	<u>652</u>
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translation of financial statements of overseas subsidiaries		<u><b>1,782</b></u>	<u>(442)</u>
		<u><b>1,782</b></u>	<u>(442)</u>
<b>Total comprehensive income for the period</b>		<u><b>6,744</b></u>	<u>4,549</u>

		<b>Six months ended 30 June</b>	
		<b>2025</b>	2024
<i>Notes</i>		<b><i>RMB'000</i></b>	<i>RMB'000</i>
		<b>(Unaudited)</b>	(Unaudited)
<b>Profit for the period attributable to:</b>			
Owners of the Company		<b>10,557</b>	5,310
Non-controlling interests		<b>(4,264)</b>	(971)
		<u><b>6,293</b></u>	<u>4,339</u>
<b>Total comprehensive income for the period attributable to:</b>			
Owners of the Company		<b>11,008</b>	5,520
Non-controlling interests		<b>(4,264)</b>	(971)
		<u><b>6,744</b></u>	<u>4,549</u>
<b>Earnings per share</b>			
– Basic and diluted ( <i>RMB cents</i> )	<i>10</i>	<u><b>0.27</b></u>	<u>0.14</u>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
*at 30 June 2025*

		As at <b>30 June 2025</b> <i>RMB'000</i> <b>(Unaudited)</b>	As at 31 December 2024 <i>RMB'000</i> (Audited)
	<i>Notes</i>		
<b>Non-current assets</b>			
Property, plant and equipment	<i>12</i>	<b>13,759</b>	18,210
Intangible assets		<b>43</b>	64
Investments in joint ventures		–	900
Investment in an associate		–	5,927
Deferred tax assets		<b>13,067</b>	12,629
		<hr/> <b>26,869</b> <hr/>	<hr/> 37,730 <hr/>
<b>Current assets</b>			
Inventories		<b>192</b>	188
Properties held for sale		<b>149,141</b>	145,461
Trade and other receivables	<i>14</i>	<b>174,820</b>	170,273
Financial assets at fair value through profit or loss	<i>13</i>	<b>56,020</b>	6,005
Restricted bank balances		<b>13,073</b>	14,902
Cash and cash equivalents		<b>135,748</b>	175,033
		<hr/> <b>528,994</b> <hr/>	<hr/> 511,862 <hr/>
<b>Current liabilities</b>			
Contract liabilities		<b>35,979</b>	25,940
Advances from lessees		<b>95</b>	95
Trade and other payables	<i>15</i>	<b>114,718</b>	123,013
Current taxation		<b>5,159</b>	7,376
		<hr/> <b>155,951</b> <hr/>	<hr/> 156,424 <hr/>
<b>Net current assets</b>		<hr/> <b>373,043</b> <hr/>	<hr/> 355,438 <hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<hr/> <b>399,912</b> <hr/>	<hr/> 393,168 <hr/>

	As at <b>30 June 2025</b> <i>Notes</i> <b>RMB'000</b> <b>(Unaudited)</b>	As at 31 December 2024 <b>RMB'000</b> <b>(Audited)</b>
<b>NET ASSETS</b>	<b>399,912</b>	<b>393,168</b>
<b>Capital and reserves</b>		
Share capital	<b>254</b>	254
Reserves	<b>394,798</b>	383,790
<b>Equity attributable to owners of the Company</b>	<b>395,052</b>	384,044
<b>Non-controlling interests</b>	<b>4,860</b>	9,124
<b>TOTAL EQUITY</b>	<b>399,912</b>	<b>393,168</b>

# NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

*for the six months ended 30 June 2025*

## 1. BASIS OF PREPARATION

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

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

## 2. PRINCIPAL ACCOUNTING POLICIES

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

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

## 3. ADOPTION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

### Adoption of amendments to IFRS Accounting Standards

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

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

## New and amendments to IFRSs in issue but not yet effective

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

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

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2027

<sup>3</sup> Effective for annual periods beginning on or after a date to be determined

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

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



#### 4. REVENUE

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

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

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

*Notes:*

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

## Disaggregation of revenue from contracts with customers:

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

For the six months ended 30 June 2025	Property management services <i>RMB'000</i> (Unaudited)	Value-added services to non-property owners <i>RMB'000</i> (Unaudited)	Community value-added services <i>RMB'000</i> (Unaudited)	Hotel business – rooms operation services and sales of food and beverage <i>RMB'000</i> (Unaudited)	Total <i>RMB'000</i> (Unaudited)
Timing of revenue recognition					
At a point in time	–	–	–	41	41
Over time	93,848	4,544	8,822	8,250	115,464
	<u>93,848</u>	<u>4,544</u>	<u>8,822</u>	<u>8,291</u>	<u>115,505</u>
For the six months ended 30 June 2024	Property management services <i>RMB'000</i> (Unaudited)	Value-added services to non-property owners <i>RMB'000</i> (Unaudited)	Community value-added services <i>RMB'000</i> (Unaudited)	Hotel business – rooms operation services and sales of food and beverage <i>RMB'000</i> (Unaudited)	Total <i>RMB'000</i> (Unaudited)
Timing of revenue recognition					
At a point in time	–	–	–	633	633
Over time	92,152	6,771	8,589	8,504	116,016
	<u>92,152</u>	<u>6,771</u>	<u>8,589</u>	<u>9,137</u>	<u>116,649</u>

## 5. SEGMENT INFORMATION

### (a) Segment reporting

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

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

### (i) *Segment results, assets and liabilities*

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

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

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

*Segment revenue and results*

**For the six months ended 30 June 2025**

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

**For the six months ended 30 June 2024**

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

*Segment assets and liabilities*

**As at 30 June 2025**

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

**As at 31 December 2024**

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

*Information about non-current assets*

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

## 6. OTHER INCOME AND GAINS

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

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

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

\* *Less than RMB1,000.*

## 7. FINANCE COSTS

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

## 8. INCOME TAX EXPENSE

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

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

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

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

## 9. PROFIT FOR THE PERIOD

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

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

## 10. EARNINGS PER SHARE

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

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

## 11. DIVIDENDS

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

## 12. PROPERTY, PLANT AND EQUIPMENT

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

## 13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

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

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

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



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

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

#### 14. TRADE AND OTHER RECEIVABLES

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

Note:

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

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

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

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

Trade receivables are due when the receivables are recognised.

## 15. TRADE AND OTHER PAYABLES

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

*Notes:*

- (a) The credit period granted by related parties (trade nature) to the Group ranges from 30 days to 90 days. The amounts due to related parties are unsecured and interest-free.
- (b) Trade payables mainly represent payables arising from sub-contracting services including cleaning, security, landscaping and maintenance services provided by suppliers. The credit period granted by third party suppliers to the Group ranges from 30 to 90 days during the six months ended 30 June 2025 and year ended 31 December 2024.

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

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
<b>Related parties</b>		
Within 1 year	1,348	1,897
After 1 year but within 2 years	1,839	–
<b>Third parties</b>		
Within 1 year	24,891	28,899
After 1 year but within 2 years	3,705	3,060
After 2 years but within 3 years	2,052	9,361
Over 3 years	16,748	8,999
	<u>50,583</u>	<u>52,216</u>

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS OVERVIEW

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

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

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

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

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

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

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

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

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

### Property Management Services

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

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

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

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

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

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

### **Value-added services to non-property owners**

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

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

### **Community value-added services**

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

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

### **Other businesses**

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

## **PROSPECTS**

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

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

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

## FINANCIAL REVIEW

### Revenue

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

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

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



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

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

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

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

## **Cost of sales**

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

## Gross profit and gross profit margin

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

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

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

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

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

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

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

### **Other income and gains**

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

### **Selling and marketing expenses**

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

### **Administrative expenses**

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

### **Interest income**

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

### **Share of profits and losses of an associate and joint ventures**

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

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

### **Profit before tax**

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

## **Income tax**

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

## **Profit for the Period**

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

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

## **CURRENT ASSETS, FINANCIAL RESOURCES AND CURRENT RATIO**

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

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

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

## **Bank loans and other borrowings**

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

## **Property, plant and equipment**

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

## **Capital structure**

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

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

## Trade and other receivables

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

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

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

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

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

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

### **Impairment loss on trade and other receivables**

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

### **Trade and other payables**

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

### **Contingent liabilities**

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

### **Treasury policy**

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

### **Pledged assets**

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

### **Human resources and remuneration policies**

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

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

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

### **Significant investments**

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

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

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

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



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

The investment cost of the structured deposit product of China Minsheng Bank was RMB50 million. The structured deposit product of China Minsheng Bank, which is principal-guaranteed with floating interest rate, has a fixed term of 91 days and is due to be redeemed on 5 September 2025, as such the Group has yet to receive any accrued interest. As at the Latest Practicable Date, the fair value of the structured deposit product amounted to RMB166,576.39. Its interest rate per annum is expected to range from 1.0% to 1.89%.

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

## **MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

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

## **FOREIGN EXCHANGE RISK EXPOSURE**

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



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

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

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

## **EVENTS AFTER THE PERIOD**

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

## **INTERIM DIVIDEND**

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

## **COMPLIANCE WITH CORPORATE GOVERNANCE CODE**

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company and to enhance the corporate value and accountability of the Company. The Directors are of the view that, during the Period and up to the date of this announcement, the Company has adopted and complied with all applicable code provisions under the Corporate Governance Code in Appendix C1 to the Listing Rules (the “**Corporate Governance Code**”). The Company will continue to review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code.

## **SECURITIES TRANSACTIONS BY DIRECTORS**

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

## **PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY**

During the Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities.

## **AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS**

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

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

## **PUBLIC FLOAT**

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

## **PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT ON THE WEBSITES OF STOCK EXCHANGE AND THE COMPANY**

This announcement has been published on the websites of the Stock Exchange at ([www.hkexnews.com.hk](http://www.hkexnews.com.hk)) and the Company at (<https://www.songdufuwu.com/en/>). The interim report of the Company for the Period, which contains all information required by the Listing Rules, will be published on the websites of the Stock Exchange and the Company in due course.

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

Hong Kong, 28 August 2025

*As at the date of this announcement, the Board comprises four executive Directors, Ms. Yu Yun (Chairman), Mr. Zhu Yihua (Chief Executive Officer), Mr. Zhu Congyue and Mr. Zhang Zhenjiang, and three independent non-executive Directors, Mr. Zhu Haoxian, Mr. Huang Enze and Ms. Ye Qian.*

\* *For identification purpose only*