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**Desun Real Estate Investment Services Group Co., Ltd.**

**德商產投服務集團有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2270)**

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

**FINANCIAL HIGHLIGHTS**

For the six months ended 30 June 2025, the Group recorded a revenue of RMB228.0 million, representing an increase of 12.3% as compared to the corresponding period in 2024.

For the six months ended 30 June 2025, the Group recorded a gross profit of RMB47.8 million, representing a decrease of 23.4% as compared to the corresponding period in 2024. The gross profit margin was 21.0%, representing a decrease of 9.7 percentage points as compared with the corresponding period in 2024.

Net profit after tax of the Group for the six months ended 30 June 2025 was RMB19.8 million, representing a decrease of 16.1% as compared with that of approximately RMB23.6 million for the corresponding period in 2024.

The Board is pleased to announce the unaudited condensed consolidated interim results of the Group for the Reporting Period, together with the comparative figures for the corresponding period of 2024, as follows:

## **CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*For the six months ended 30 June 2025*

		<b>For the six months ended</b>	
		<b>30 June</b>	
	<i>Notes</i>	<b>2025</b>	<b>2024</b>
		<b>RMB'000</b>	<b>RMB'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>REVENUE</b>	<b>4</b>	<b>228,032</b>	203,117
Cost of sales		<u>(180,248)</u>	<u>(140,684)</u>
Gross profit		<b>47,784</b>	62,433
Other income and gains or losses, net	<b>5</b>	<b>5,050</b>	6,267
Administrative expenses		<b>(20,409)</b>	(30,366)
Provision for impairment losses on trade receivables, net	<b>7</b>	<b>(7,468)</b>	(1,437)
Provision for impairment losses on deposits and other receivables, net	<b>7</b>	<b>(1,000)</b>	(415)
Other expenses		<b>(446)</b>	(301)
Finance costs	<b>6</b>	<b>(7,373)</b>	(8,591)
Share of profit/(loss) of associates		<u><b>5,474</b></u>	<u>(110)</u>
<b>PROFIT BEFORE INCOME TAX</b>	<b>7</b>	<b>21,612</b>	27,480
Income tax expense	<b>8</b>	<u><b>(1,859)</b></u>	<u>(3,901)</u>
<b>PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<u><b>19,753</b></u>	<u>23,579</u>
Owners of the Company		<b>16,699</b>	21,410
Non-controlling interests		<u><b>3,054</b></u>	<u>2,169</u>
		<u><b>19,753</b></u>	<u>23,579</u>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>			
Basic	<b>10</b>	<u><b>RMB3.02 cents</b></u>	<u>RMB3.69 cents</u>
Diluted	<b>10</b>	<u><b>RMB3.01 cents</b></u>	<u>RMB3.66 cents</u>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		30 June 2025	31 December 2024
	Notes	RMB'000 (Unaudited)	RMB'000 (Audited)
<b>NON-CURRENT ASSETS</b>			
Property and equipment	11	91,923	97,432
Investment properties	11	221,752	232,400
Right-of-use assets		39	154
Other intangible assets	11	7,953	9,418
Goodwill		9,179	9,179
Investment in associates		33,201	28,579
Deferred tax assets		6,812	5,028
Prepayments, deposits and other receivables	13	20,961	11,551
Restricted deposits	14	1,159	1,108
Total non-current assets		392,979	394,849
<b>CURRENT ASSETS</b>			
Inventories	17	20,993	23,981
Trade receivables	12	214,489	189,646
Prepayments, deposits and other receivables	13	65,865	57,267
Cash and cash equivalents	14	212,161	169,084
Total current assets		513,508	439,978
<b>CURRENT LIABILITIES</b>			
Contract liabilities		62,787	55,691
Trade payables	15	43,821	55,532
Other payables and accruals	16	156,007	154,408
Bank borrowings	18	68,900	9,000
Lease liabilities		15,779	15,131
Tax payable		4,921	6,412
Dividend payable		225	225
Total current liabilities		352,440	296,399
<b>NET CURRENT ASSETS</b>		161,068	143,579
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		554,047	538,428

		<b>30 June 2025 RMB'000 (Unaudited)</b>	<b>31 December 2024 RMB'000 (Audited)</b>
	<i>Notes</i>		
<b>NON-CURRENT LIABILITIES</b>			
Other payables and accruals	16	<b>14,982</b>	30,922
Contract liabilities		<b>95</b>	75
Lease liabilities		<b>225,913</b>	232,653
Bank borrowings	18	<b>14,600</b>	—
Deferred tax liabilities		<b>619</b>	676
		<hr/>	<hr/>
Total non-current liabilities		<b>256,209</b>	264,326
		<hr/>	<hr/>
<b>NET ASSETS</b>		<b>297,838</b>	274,102
		<hr/>	<hr/>
<b>EQUITY</b>			
Equity attributable to owners of the Company			
Share capital	19	<b>393</b>	393
Treasury shares		<b>(74,600)</b>	(81,812)
Reserves		<b>365,259</b>	350,134
		<hr/>	<hr/>
		<b>291,052</b>	268,715
Non-controlling interests		<b>6,786</b>	5,387
		<hr/>	<hr/>
<b>Total equity</b>		<b>297,838</b>	274,102
		<hr/>	<hr/>

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### 1. BASIS OF PREPARATION

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

The interim condensed consolidated financial statements and notes thereon do not include all of the information required for a complete set of financial statements prepared in accordance with the IFRS Accounting Standards and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024.

The interim condensed consolidated financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousands, unless otherwise stated.

In the opinion of the directors of the Company, the holding and the ultimate holding company of the Company is Sky Donna Holding Limited, which is incorporated in the British Virgin Islands (“BVI”). Mr. Zou Kang and Ms. Zou Jian are collectively the ultimate controlling shareholders of the Company (the “Ultimate Controlling Shareholders”).

### 2. ADOPTION OF AMENDMENTS TO IFRS ACCOUNTING STANDARDS

The accounting policies adopted in the preparation of the 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 revised IFRS Accounting Standards for the first time for the current period.

Amendments to IAS 21	<i>Lack of Exchangeability</i>
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The application of the amendment to IFRS Accounting Standards in the current interim period has had no material impact to the Group’s financial position and performance for the current and prior periods and/or on the disclosures set out in the interim condensed consolidated financial statements.

### 3. OPERATING SEGMENT INFORMATION

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

For management purposes, the Group is organised into business units based on their services and has three reportable operating segments as follows:

- (a) Property services segment, which mainly includes property management services and other value-added services and sale of carparks;
- (b) Asset operation service segment, which includes office building sublease services, commercial operational services, commercial property management and other related services and e-commerce live streaming services; and

- (c) Investment and development segment, which includes home furnishing, home refurbishment and decoration services.

The CODM assesses the performance of the operating segments based on segment profit. There were no separate segment assets and segment liabilities information provided to the CODM, as the CODM does not use this information to allocate resources or to evaluate the performance of the operating segment.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

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

	<b>Property Services RMB'000 (Unaudited)</b>	<b>Asset Operation Services RMB'000 (Unaudited)</b>	<b>Investment and Development RMB'000 (Unaudited)</b>	<b>Total RMB'000 (Unaudited)</b>
<b>Segment revenue (Note 4)</b>				
Sales to external customers	140,114	80,148	7,770	228,032
Intersegment sales	<u>770</u>	<u>—</u>	<u>—</u>	<u>770</u>
Total segment revenue	<u>140,884</u>	<u>80,148</u>	<u>7,770</u>	<u>228,802</u>
<i>Reconciliation:</i>				
Elimination of intersegment sales				<u>(770)</u>
<b>Revenue</b>				<u><u>228,032</u></u>
<b>Segment results</b>	<b>19,968</b>	<b>11,829</b>	<b>(520)</b>	<b>31,277</b>
<i>Reconciliation:</i>				
Interest income				1,520
Foreign exchange and other unallocated gains				919
Share of profit of associates				5,474
Corporate and other unallocated expenses:				
— Auditors' remuneration				(300)
— Salaries and retirement benefit scheme				(5,234)
— Equity-settled share option expenses, net				(2,388)
— Other professional fee				(2,191)
— Advertising expenses				(1,041)
— Unallocated expenses				<u>(6,424)</u>
Profit before income tax				<u><u>21,612</u></u>

**For the six months ended 30 June 2024 (Restated)**

	Property Services <i>RMB'000</i> (Unaudited)	Asset Operation Services <i>RMB'000</i> (Unaudited)	Investment and Development <i>RMB'000</i> (Unaudited)	Total <i>RMB'000</i> (Unaudited)
<b>Segment revenue (Note 4)</b>				
Sales to external customers	124,745	66,914	11,458	203,117
Intersegment sales	<u>1,288</u>	<u>—</u>	<u>—</u>	<u>1,288</u>
Total segment revenue	<u>126,033</u>	<u>66,914</u>	<u>11,458</u>	204,405
<i>Reconciliation:</i>				
Elimination of intersegment sales				<u>(1,288)</u>
<b>Revenue</b>				<u><u>203,117</u></u>
<b>Segment results</b>	25,558	6,218	131	31,907
<i>Reconciliation:</i>				
Interest income				2,136
Foreign exchange and other unallocated gains				4,131
Corporate and other unallocated Expenses:				
— Auditors' remuneration				(300)
— Salaries and retirement benefit scheme				(5,128)
— Equity-settled share option expenses, net				(2,793)
— Other professional fee				(2,046)
— Unallocated expenses				<u>(427)</u>
Profit before income tax				<u><u>27,480</u></u>

**Geographical information**

During the reporting period, the Group operated within one geographical location because all of its revenue was generated in the PRC and all of its long-term assets/capital expenditure were located/incurred in the PRC. Accordingly, no geographical information is presented.

**Information about a major customer**

For the six months ended 30 June 2025 and 30 June 2024, there were no customers with whom transactions have exceeded 10% of the Group's revenue.

#### 4. REVENUE

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<i>Revenue from contracts with customers</i>	212,717	174,572
<i>Revenue from other sources</i>		
Gross rental income from investment property operating leases under sublease arrangement	15,315	28,545
Total revenue	228,032	203,117
Disaggregated revenue information:		
	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Property Services segment:		
— Property management services and other value-added services	137,184	124,745
— Sale of carparks	2,930	—
Subtotal	140,114	124,745
Asset Operation Services segment:		
— Commercial operation and management	28,628	24,872
— Office building and community operation and management	26,240	13,497
— E-commerce live streaming services	9,965	—
— Revenue from other sources	15,315	28,545
Subtotal	80,148	66,914
Investment and Development segment :		
— Home furnishing, home decoration and refurbishment services	7,770	11,458
Total	228,032	203,117



#### 4. REVENUE (*continued*)

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	3,022	1,502
Services transferred over time	195,583	170,979
Services transferred at a point in time	14,112	2,091
	<hr/>	<hr/>
Total revenue from contracts with customers	<b>212,717</b>	<b>174,572</b>
	<hr/>	<hr/>

#### 5. OTHER INCOME AND GAINS OR LOSSES, NET

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<b>Other income</b>		
Government grants ( <i>Note</i> )	1,145	218
Additional input value-added tax deduction	58	15
Bank interest income	1,520	2,136
Compensation received	2,501	3,518
Others	106	—
	<hr/>	<hr/>
Total other income	<b>5,330</b>	<b>5,877</b>
	<hr/>	<hr/>
<b>Other gains or (losses), net</b>		
(Losses)/gains on exchange difference, net	(280)	390
	<hr/>	<hr/>
Total other (losses) or gains , net	<b>(280)</b>	<b>390</b>
	<hr/>	<hr/>
Total other income and gains or (losses), net	<b>5,050</b>	<b>6,267</b>
	<hr/>	<hr/>

*Note:*

During the reporting period, the Group recognised government grants of RMB720,000 in respect of the promotion of the high-level opening up of Chengdu by Chengdu Investment Promotion Bureau (2024: Nil).

## 6. FINANCE COSTS

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Interest on lease liabilities	5,549	6,406
Interest on bank borrowings	914	195
Interest on non-controlling shareholders' loans	654	1,990
Interest on associate's loans	256	—
	<u>7,373</u>	<u>8,591</u>

## 7. PROFIT BEFORE INCOME TAX

The Group's profit before income tax is arrived at after charging:

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Cost of services provided	177,315	139,437
Cost of goods sold	<u>2,933</u>	<u>1,247</u>
Auditors' remuneration	300	300
Lease payments not included in the measurement of lease liabilities	6,890	5,920
Provision for impairment losses on trade receivables, net	7,468	1,437
Provision for impairment losses on deposits and other receivables, net	1,000	415
Provision for impairment of investment in associates	1,096	—
Equity-settled share option expense, net of reversal (included in directors' and chief executive's remuneration)	2,388	2,793
Direct operating expenses arising from investment properties	<u>1,259</u>	<u>1,739</u>

## 8. INCOME TAX EXPENSE

The income tax expense in the interim condensed consolidated statement of profit or loss and other comprehensive income represents:

	<b>For the six months ended</b>	
	<b>30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Current Enterprise Income Tax — the PRC		
— charge for the period	<b>3,700</b>	6,394
Deferred tax	<b>(1,841)</b>	(2,493)
Income tax expense	<b>1,859</b>	3,901

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly is not subject to income tax from the business carried out in the Cayman Islands.

No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the reporting period and the six months ended 30 June 2024.

Except for certain subsidiaries as described below, the PRC corporate income tax has been provided at the statutory tax rate of 25% on the taxable profits of the Group's PRC subsidiaries for the reporting period and the six months ended 30 June 2024.

According to the Circular on Issues Concerning Tax Policies for In-depth Implementation of Western Development Strategies, certain subsidiaries of the Company that are located in Sichuan Province and engaged in the encouraged business of property services management are entitled to a preferential CIT rate of 15%. Pursuant to the Circular of Extending the Period of Western Development Strategies Preferential Tax Rate (Cai Shui Fa [2020] No. 23), the tax preferential treatments were extended to 31 December 2030.

In addition, certain subsidiaries in the PRC are qualified as Small Low-profit Enterprises and thus entitled to a preferential income tax rate of 20% for the reporting period and the six months ended 30 June 2024.

## 9. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company for the current period and the six months ended 30 June 2024, nor has any dividend been proposed since the end of the reporting period.

# 10. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

Basic earnings per share is calculated by dividing the profit for the period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period and adjusted for the effect of ordinary shares repurchased and the exercise of share options multiplied by a time-weighted factor. Diluted earnings per share is calculated by dividing the profit for the period attributable to owners of the Company by the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares. The calculations of basic and diluted earnings per share are based on:

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
<b>Earnings</b>		
Profit for the period attributable to owners of the Company for the purposes of calculating basic and diluted earnings per share	<u>16,699</u>	<u>21,410</u>
	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purposes of calculating basic earnings per share	552,146,603	580,218,649
Effect of dilution — weighted average number of ordinary shares: — Share options	<u>2,159,209</u>	<u>3,987,036</u>
Weighted average number of ordinary shares for the purposes of calculating diluted earnings per share	<u>554,305,812</u>	<u>584,205,685</u>

**11. PROPERTY AND EQUIPMENT, INVESTMENT PROPERTIES AND OTHER INTANGIBLE ASSETS**

	<b>Property and equipment <i>RMB'000</i></b>	<b>Investment properties <i>RMB'000</i></b>	<b>Other intangible assets <i>RMB'000</i></b>
Carrying amounts at 1 January 2025 (audited)	<b>97,432</b>	<b>232,400</b>	<b>9,418</b>
Additions	<b>1,366</b>	—	<b>107</b>
Depreciation/amortisation provided during the period	<b>(6,875)</b>	<b>(10,648)</b>	<b>(1,572)</b>
Carrying amounts at 30 June 2025 (unaudited)	<b>91,923</b>	<b>221,752</b>	<b>7,953</b>

**12. TRADE RECEIVABLES**

	<b>30 June 2025 <i>RMB'000</i> (Unaudited)</b>	<b>31 December 2024 <i>RMB'000</i> (Audited)</b>
Related parties	<b>75,999</b>	75,560
Third parties	<b>159,597</b>	127,732
Impairment losses, net	<b>235,596 (21,107)</b>	203,292 (13,646)
	<b>214,489</b>	189,646

An ageing analysis of the trade receivables as at the end of the reporting period, based on the demand note issue date and net of provision for impairment of trade receivables, is as follows:

	<b>30 June 2025 <i>RMB'000</i> (Unaudited)</b>	<b>31 December 2024 <i>RMB'000</i> (Audited)</b>
Within 1 year	<b>133,868</b>	131,250
1 to 2 years	<b>54,410</b>	37,486
2 to 3 years	<b>15,600</b>	10,912
Over 3 years	<b>10,611</b>	9,998
	<b>214,489</b>	189,646

### 13. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		30 June 2025 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Audited)
	<i>Notes</i>		
<i>Current portion:</i>			
Due from related parties		8,126	9,928
Deposits	(a)	19,142	3,936
Staff advances		3,203	2,056
Property management costs recoverable from residents		13,977	7,877
Payments on behalf of residents	(b)	5,523	5,539
Cash in transit		1,648	4,208
Other receivables		7,059	7,646
Prepaid expenses		15,890	24,041
		<hr/>	<hr/>
		74,568	65,231
Impairment losses, net		(8,703)	(7,964)
		<hr/>	<hr/>
		65,865	57,267
		<hr/>	<hr/>
<i>Non-current portion:</i>			
Due from related parties		12,478	7,092
Deposits		4,725	3,399
Prepaid expenses		3,758	1,060
		<hr/>	<hr/>
		20,961	11,551
		<hr/>	<hr/>
		86,826	68,818
		<hr/>	<hr/>

*Notes:*

- (a) The amounts mainly represented the refundable deposits paid for performance and project tendering deposits.
- (b) The amounts represented the amounts paid on behalf of residents to the utility service providers for the services provided.

#### 14. CASH AND CASH EQUIVALENTS/RESTRICTED DEPOSITS

	30 June 2025 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Audited)
Cash and bank balances	<u>213,320</u>	<u>170,192</u>
<i>Less:</i>		
Pledged deposits for performance guarantee, non-current	<u>(1,159)</u>	<u>(1,108)</u>
Cash and cash equivalents	<u><b>212,161</b></u>	<u><b>169,084</b></u>

As at 30 June 2025, other than the cash and bank balances denominated in HKD amounted to approximately RMB5,226,000 (31 December 2024: approximately RMB5,241,000) and in USD amounted to RMB26,367,000 (31 December 2024: approximately RMB23,068,000), the remaining cash and bank balances are denominated in RMB. The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, the Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

#### 15. 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 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Audited)
Within 3 months	24,600	34,233
3 to 12 months	11,526	10,720
Over 1 year	<u>7,695</u>	<u>10,579</u>
	<u><b>43,821</b></u>	<u><b>55,532</b></u>

The trade payables are non-interest-bearing and are normally settled on 90-day terms.

## 16. OTHER PAYABLES AND ACCRUALS

		30 June 2025	31 December 2024
	Notes	RMB'000 (Unaudited)	RMB'000 (Audited)
<i>Current portion:</i>			
Due to related parties		10,694	9,817
Other borrowings from related parties		21,298	8,686
Payables for purchase of property and equipment		8,161	9,945
Receipts on behalf from community residents	(a)	18,113	17,794
Payroll and social insurance payables		37,363	46,989
Deposits received		25,821	28,176
Other tax payable		22,744	20,447
Other payables and accrued expenses		11,813	12,554
Subtotal		156,007	154,408
<i>Non-current portion:</i>			
Other borrowings from related parties		14,982	30,922
Subtotal		14,982	30,922
Total		170,989	185,330

*Note:*

- (a) The amounts mainly represent the advances received on behalf from property owners and tenants for settlement of utility charges.

## 17. INVENTORIES

As at 30 June 2025, the carrying amount of inventories of RMB20,993,000 (31 December 2024: RMB23,981,000) consists of carparking spaces available for sale in the Group's ordinary course of business.



## 18. BANK BORROWINGS

	<i>Notes</i>	<b>30 June 2025 RMB'000 (Unaudited)</b>	<b>31 December 2024 RMB'000 (Audited)</b>
Bank borrowings — Unsecured	<i>(b)</i>	<b>43,000</b>	9,000
Bank borrowings — Secured	<i>(a)&amp;(b)</i>	<b>40,500</b>	—
Total	<i>(c)</i>	<b>83,500</b>	9,000
Bank borrowings			
On demand/within 1 year		<b>68,900</b>	9,000
More than 1 year but not more than 3 years		<b>14,600</b>	—
		<b>83,500</b>	9,000

### *Notes:*

- (a) As at 30 June 2025, the bank borrowings of the Group are secured by the properties of a third party debtor of the Group, and the properties of the related company of ultimate controlling shareholder of the Group.
- (b) The bank borrowings are guaranteed by a subsidiary of the Company.
- (c) The effective interest rates on the Group's bank borrowings included the fixed rates within the range of 3% to 4% per annum (31 December 2024: within the range of 3% to 4% per annum).

## 19. SHARE CAPITAL

	Number of shares	
<b>Authorised:</b>		
Ordinary shares of USD0.0001 each:		
At 1 January 2024, 31 December 2024, 1 January 2025 (audited) and 30 June 2025 (unaudited)		2,000,000,000
	Number of shares	Nominal value RMB'000
<b>Issued and fully paid:</b>		
Ordinary shares of USD0.0001 each		
At 1 January 2024, 31 December 2024, 1 January 2025 (audited) and 30 June 2025 (unaudited) (Note)	620,259,200	393

### Note:

As at 30 June 2025, the total number of issued ordinary shares of the Company includes 63,301,305 shares (31 December 2024: 69,752,000 shares) held for the share award scheme by the trustees of the Company, representing approximately 10% (31 December 2024: 11.25%) of the issued share capital of the Company.

## 20. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform the current period's presentation of the condensed consolidated financial statements.

## MANAGEMENT DISCUSSION AND ANALYSIS

### INDUSTRY REVIEW

Since 2021, China's real estate market has undergone structural recalibration. Amid rationally controlled land supply, the primary market has sustained contraction, while the property management sector's growth momentum has moderated, driving an industry-wide strategic pivot from "quantity-driven expansion" to "efficiency-focused refinement". According to data released by the China Index Academy, it is expected that the total managed area of the national property management industry will further increase to approximately 38 billion sq.m. by 2029. This indicates that despite the inevitable transition to a stock-asset dominated era, the property management industry retains substantial growth headroom and market resilience.

The 2025 Government Work Report for the first time elevated the development of "safe, comfortable, eco-conscious and smart 'Premium Housing'" to a national strategy, with such "Premium Housing" naturally requiring "Premium Services" that consequently raises standards for the property management industry. Property enterprises are now breaking through the traditional "Four Guarantees and One Service" (四保一服) operational boundaries to transit towards comprehensive lifecycle asset management services, abandoning extensive development models while focusing on core regions and deepening specialized services to achieve value-driven, high-quality development.

At the same time, amid rapid technological advancement, the deep integration of property management and technology has emerged as an irreversible trend, serving as the critical solution for property management companies to reduce costs, enhance efficiency, improve service quality and overcome industry challenges. A growing number of property management companies, empowered by AI technologies, are achieving multi-dimensional improvements including optimised energy management, elevated operational efficiency, intelligent work order processing and precise risk prediction. In addition, some property management companies are exploring cross-industry technological applications, actively developing innovative use scenario in emerging fields such as the low-altitude economy and embodied intelligent robots.

While short-term cyclical fluctuations in the real estate market have exerted some downward pressure on the industry's growth rate, the property management industry is ultimately establishing a new high-quality development model through dynamic balance between scale and quality, driven by continuous innovation in service models, increasing penetration in existing stock markets and supportive policy guidance.

## **BUSINESS REVIEW**

During the Reporting Period, the Group maintained its strategic focus as an urban core asset operator, achieving stable business growth amid industry-wide structural adjustments through its three core business segments of property services, asset operation services and investment and development, with total revenue for the first half of 2025 increased by 12.3% period-on-period. Meanwhile, relying on its three core product lines of commercial-industrial complexes, digital economy industrial parks and commercial and residential communities, the Group has systematically developed a comprehensive asset lifecycle management ecosystem by horizontally diversifying service scenarios while vertically integrating asset value chain.

During the Reporting Period, the Group's operations were structured around three core business segments: (i) property services segment: primarily comprising property management services and other value-added services as well as carpark space sales; (ii) asset operation services segment: primarily including office building sublease services, commercial operation services, commercial property management and other related services as well as e-commerce livestreaming services; and (iii) investment and development segment: primarily covering home furnishing, interior decoration and renovation services.

## **FINANCIAL REVIEW**

During the Reporting Period, the Group recorded a revenue of approximately RMB228.0 million, representing an increase of approximately 12.3% as compared to the corresponding period in 2024, which was mainly attributable to the expanded management scale; gross profit of approximately RMB47.8 million, representing a decrease of approximately 23.4% as compared to the corresponding period in 2024; and gross profit margin of approximately 21.0%, representing a decrease of approximately 9.7 percentage points as compared to the corresponding period in 2024. During the Reporting Period, the Group recorded net profit after tax for the six months ended 30 June 2025 of approximately RMB19.8 million, representing a decrease of approximately 16.1% as compared to approximately RMB23.6 million for the corresponding period in 2024, which was mainly attributable to the increase in receivables with the expansion of management scale during the Reporting Period, the increased impairment provisions made for growing receivables in line with the business expansion, based on prudent accounting principles. At the same time, the Group increased investment in service quality enhancement amid the expansion of its area under management and business scale during the Reporting Period.

## Revenue and its Composition

Business segment	30 June 2025		30 June 2024		Period-on period change
	<i>RMB'000</i>	<i>Percentage of total revenue</i>	<i>RMB'000</i>	<i>Percentage of total revenue</i>	
		%		%	%
Property services	140,114	61.4	124,745	61.4	12.3
Asset operation services	80,148	35.2	66,914	33.0	19.8
Investment and development	7,770	3.4	11,458	5.6	-32.2
	<u>228,032</u>	<u>100.0</u>	<u>203,117</u>	<u>100.0</u>	<u>12.3</u>

## Revenue

During the Reporting Period, the Group recorded a revenue of RMB228.0 million, representing a period-on-period increase of 12.3% as compared to RMB203.1 million for the six months ended 30 June 2024, which was mainly attributable to on the one hand, the Group continued to focus on the existing market and steadily expanded its management scale; on the other hand, the Group actively developed diversified businesses such as asset operation services.

The Group's revenue was primarily generated from its three business segments: (i) property services; (ii) asset operation services; and (iii) investment and development. During the Reporting Period, (i) revenue generated from property services was RMB140.1 million, which accounted for 61.4% of the Group's total revenue, representing a period-on-period increase of 12.3% as compared to RMB124.7 million for the corresponding period in 2024; (ii) revenue generated from asset operation services was RMB80.1 million, which accounted for 35.2% of the Group's total revenue, representing a period-on-period increase of 19.8% as compared to RMB66.9 million for the corresponding period in 2024; and (iii) revenue generated from investment and development was RMB7.8 million, which accounted for 3.4% of the Group's total revenue, representing a period-on-period decrease of 32.2% as compared to RMB11.5 million for the corresponding period in 2024.

### *Property Services*

During the Reporting Period, the Group's property services segment remained the growth driver, generating RMB140.1 million in revenue and contributing 61.4% to the Group's total revenue, which represents a solid 12.3% period-on-period growth from RMB124.7 million for the corresponding period in 2024, primarily attributable to the expansion of the managed scale.

The Group adheres to the customer philosophy of “being user-centered, creating value for customers and delivering perceptible value to customers”. Through market-driven expansion, we continuously broaden our service scope and expand our customer base, promoting the synergistic development of both quality and scale. During the Reporting Period, the gross floor area of projects under the Group’s management has expanded to 11,370,000 sq.m., representing an increase of 6.8% as compared to the end of 2024. Our business resilience continues to strengthen.

A high-performance team is a solid guarantee for service quality and business growth. During the Reporting Period, the Group focused on internal management optimization, with strongly aligned objectives across four dimensions —headquarters, region, project and employees to establish a highly synergistic long-term incentive mechanism, which further improved team efficiency. In terms of talent development, the Group has implemented comprehensive systems including periodic evaluations, tiered assessments, targeted training programs and upward feedback mechanisms to continuously strengthen our multi-skilled talent pipeline. Organizationally, the Group consistently advanced flat management structures through position consolidation, optimized regional function configurations, and streamlined decision-making processes to enhance management efficiency. This enables us to truly operate with customer needs as our core driver, ensuring rapid response to client requirements, strengthened customer loyalty and elevated satisfaction levels.

Customer trust is the most valuable asset of the Group. During the Reporting Period, the Group deepened customer relationships and upgraded service value through a series of innovative measures in service models. The Group boldly breaks through traditional boundaries by eliminating “counter-style” services and establishing an open and shared “Neighbourhood Life (有鄰生活)” center — a platform created by the property management and co-developed with residents. This initiative fosters a community atmosphere of neighborly friendship, joy and warmth, breaking down the “walls” between property management and residents as well as between residents themselves. By proactively engaging with customers, we achieve ultra-fast response to needs. At the same time, the Group comprehensively expands its directly operated value-added services including laundry, car washing and customized travel, while adhering to the business strategy of “eliminating intermediaries, guaranteeing quality and controlling prices” to bring diversified, trustworthy and value-added options to customers.

Moving forward, the Group will continue to consolidate the foundation for sustainable growth, enhancing customer loyalty through a reliable service ecosystem and continue to deliver value for customers that exceeds expectations.

### ***Asset Operation Services***

During the Reporting Period, the revenue from the Group's asset operation services segment amounted to RMB80.1 million, accounting for 35.2% of the Group's total revenue, representing an increase of 19.8% as compared to RMB66.9 million for the corresponding period in 2024, mainly due to an increase in office building occupancy rates and the expansion of business scale.

During the Reporting Period, the Group's asset operation segment thoroughly implemented the "Real Estate and Business Integration (產商融合)" strategic directive, focusing on three core business segments: office leasing, commercial asset management and industrial community operation. By leveraging sophisticated operational frameworks and digital empowerment tools, we, systematically enhanced end-to-end professional capabilities across leasing management, tenant acquisition and operation, industrial resource integration and content incubation.

During the Reporting Period, the Group's office building brand "Desun Xinhongdao" continued to maintain a comprehensive occupancy rate exceeding 90%, leveraging on deep asset operation capabilities. The Group has simultaneously deepened strategic collaborations with partners including Shanghai Lingang Digital Innovation Company\* (上海臨港數創公司), conducting in-depth resource integration around product forms such as industrial-commercial integrated complexes and digital economy industrial parks, while accelerating market expansion.

### ***Investment and Development***

During the Reporting Period, the revenue from the Group's investment and development segment amounted to RMB7.8 million, accounting for 3.4% of the Group's total revenue, representing a decrease of 32.2% as compared to RMB11.5 million for the corresponding period in 2024.

The exploration of new business formats is the strategic fulcrum of the Group's diversification path and building comprehensive strength. The Group's investment and development sector has been actively deployed in the business fields of asset construction, large home furnishing, and non-performing assets, and is committed to providing comprehensive solutions for assets, operators and users. The business segment is still in the structural optimization stage and has not had a substantial impact on the Company's overall revenue. In the future, the Group will focus on optimizing resource allocation, connecting industrial synergies, fully activating business growth potential, and promoting breakthroughs in the direction of scale and efficiency.

## **Cost of Sales**

During the Reporting Period, cost of sales of the Group amounted to RMB180.2 million, representing an increase of 28.1% as compared to RMB140.7 million for the corresponding period in 2024, which was mainly attributable to the expansion of managed area and business scale, as well as the development of diversified business segments, which has led to an increase in various costs..

## **Gross Profit and Gross Profit Margin**

For the six months ended 30 June 2025, the Group recorded the gross profit of RMB47.8 million, representing a decrease of 23.4% as compared to RMB62.4 million for the corresponding period in 2024. The gross profit margin was approximately 21.0%, representing a decrease of 9.7 percentage points as compared to the gross profit margin of 30.7% for the corresponding period in 2024. The decrease in gross profit margin was mainly due to (i) the Group increased investment in service quality enhancement amid the expansion of its area under management and business scale during the Reporting Period; and (ii) the growth of diversified business segments such as office building, industrial park operations and value-added services, which led to an increase in various types of costs as well.

## **Other Income and Gains or Losses, Net**

Our other income and gains mainly consist of government grants, forfeited deposits, interest income and foreign exchange gains, net. The decrease of other income and gains by approximately RMB1.2 million, or approximately 19.0% from approximately RMB6.3 million for the six months ended 30 June 2024 to approximately RMB5.1 million for the six months ended 30 June 2025 was primarily due to a decrease in foreign exchange gains, net.

## **Administrative Expenses**

Our administrative expenses mainly consist of labour costs, business entertainment expenses, office expenses, staff dormitory and office occupancy expenses, promotion expenses, transportation expenses, tax expenses, special service expenses, depreciation and amortisation, lease expenses and others. Administrative expenses of our Group decreased by RMB10.0 million, or 32.9% from RMB30.4 million for the six months ended 30 June 2024 to RMB20.4 million for the six months ended 30 June 2025, which was mainly attributable to digital empowerment, which has enabled refined management and optimised administrative expenditure.



### **Provision for Impairment Losses on Trade Receivables, Net**

The net provision for impairment of trade receivables for the six months ended 30 June 2025 was RMB7.5 million as compared to the net provision of impairment of trade receivables for the six months ended 30 June 2024 of RMB1.4 million, which was mainly due to the Company making provisions for impairment based on prudence.

### **Provision for Impairment Losses on Deposits and Other Receivables, Net**

The net provision for impairment losses on deposits and other receivables increased from RMB0.4 million for the six months ended 30 June 2024 to RMB1.0 million for the six months ended 30 June 2025, which was mainly due to the Company making provisions for impairment based on prudence.

### **Finance Costs**

Our finance costs during the Reporting Period amounted to RMB7.4 million, representing a decrease from RMB8.6 million for the same period last year, which was mainly due to a decrease in interest on lease liabilities.

### **Other Expenses**

We incurred other expenses of RMB0.4 million during the Reporting Period, representing an increase as compared to other expenses of RMB0.3 million for the same period last year, which was mainly due to an increase in bank handling fees.

### **Profit before Income Tax**

The Group's profit before income tax decreased by RMB5.9 million, or 21.5% from RMB27.5 million for the six months ended 30 June 2024 to RMB21.6 million for the six months ended 30 June 2025.

### **Income Tax Expense**

Our income tax expense was approximately RMB3.9 million and approximately RMB1.9 million for the six months ended 30 June 2024 and the six months ended 30 June 2025, respectively.

### **Profit for the Reporting Period**

As a result of the changes discussed above, our net profit for the Reporting Period decreased by 16.1% from RMB23.6 million for the six months ended 30 June 2024 to RMB19.8 million for the six months ended 30 June 2025, and our net profit margin for the Reporting Period decreased from 11.6% for the six months ended 30 June 2024 to 8.7% for the six months ended 30 June 2025.

## **Property and Equipment**

Property and equipment mainly consist of electric devices and leasehold improvements, which decreased from RMB97.4 million as at 31 December 2024 to RMB91.9 million as at 30 June 2025. Such decrease was mainly due to provision for depreciation during the Reporting Period.

## **Investment Properties**

Investment properties consist of one residential and numerous commercial properties in the PRC held for sale or lease. Investment property decreased from RMB232.4 million as at 31 December 2024 to RMB221.8 million as at 30 June 2025, which was primarily due to depreciation expenses during the Reporting Period.

## **Other Intangible Assets**

We recognised other intangible assets of RMB8.0 million as at 30 June 2025, which mainly include customer relationships arising from the acquisition of Zhongneng Group and Green Real Estate (of which RMB3.9 million for Zhongneng Group, and RMB2.0 million for Green Real Estate), calculated using the straight-line method over the expected useful life of 2 years to 10 years based on the past experience of the renewal model of property management contracts and the expected duration of the contracts.

## **Goodwill**

Goodwill arose out of our acquisition of Zhongneng Group in 2020, which resulted in the recognition of goodwill of approximately RMB9.2 million.

## **Trade Receivables**

Trade receivables mainly arise from property management services and certain value-added services. Trade receivables of our Group increased from approximately RMB189.6 million as at 31 December 2024 to approximately RMB214.5 million as at 30 June 2025, primarily due to business scale growth.

## **Prepayments, Deposits and Other Receivables**

Prepayments, deposits and other receivables mainly comprise of deposits paid for performance and project tendering deposits, advances to staff and payment on behalf of residents relating to utilities. The Group's prepayments, deposits and other receivables increased from RMB68.8 million as at 31 December 2024 to RMB86.8 million as at 30 June 2025, primarily due to the increase in tendering deposits paid for business expansion.

## **Trade Payables**

Trade payables primarily represent our payment obligations for goods and services that have been acquired in our ordinary course of business from suppliers. The trade payables primarily consist of cleaning fees, material fees, maintenance fees, subcontracting fees and construction fees. Trade payables of the Group decreased from RMB55.5 million as at 31 December 2024 to RMB43.8 million as at 30 June 2025, primarily due to maintaining good cooperative relationships with suppliers and actively settling payments.

## **Other Payables and Accruals**

The other payables and accruals of our Group primarily consist of payables for payroll, utilities, other taxes, advance receipts on behalf of residents, consideration payables as well as deposits received. The other payables and accruals decreased from RMB185.3 million as at 31 December 2024 to RMB171.0 million as at 30 June 2025, which was mainly due to the payment of the year-end bonus accrued at the end of the previous year.

## **Contract Liabilities**

The contract liabilities of our Group arise from the advance payments received from customers for property management services that the Group has not yet rendered. The contract liabilities of the Group increased from RMB55.8 million as at 31 December 2024 to RMB62.9 million as at 30 June 2025, primarily due to the expansion of the Group's overall business scale.

## **Tax Payable**

Tax payable of our Group primarily consists of PRC corporate income tax payable. Our tax payable decreased from RMB6.4 million as at 31 December 2024 to RMB4.9 million as at 30 June 2025, primarily due to the income tax paid during the Reporting Period.

## **Lease Liabilities**

As at 30 June 2025, the current lease liabilities of our Group were RMB15.8 million (as at 31 December 2024: RMB15.1 million), primarily due to the increase in rent to be paid in the next year according to the contract. Our Group recorded non-current lease liabilities of RMB225.9 million as at 30 June 2025 (as at 31 December 2024: RMB232.7 million), primarily due to the reason that certain non-current lease liabilities at the end of 2024 will be due and paid within the next year, so they are reclassified to current lease liabilities at the end of the Reporting Period.

## **Liquidity and Capital Resources**

Our cash and bank balances increased by RMB43.1 million from RMB169.1 million as at 31 December 2024 to RMB212.2 million as at 30 June 2025. Our net current assets increased from RMB143.6 million as at 31 December 2024 to RMB161.1 million as at 30 June 2025. Our current ratio is approximately 1.4 times (31 December 2024: approximately 1.5 times). As at 30 June 2025, the short-term borrowing was RMB68.9 million.

## **Pledge of Assets**

As at 30 June 2025, none of the assets of our Group were pledged (as at 31 December 2024: nil).

## **Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures**

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

## **Significant Investment Held and Future Plans for Material Investment and Capital Assets**

During the Reporting Period, the Group has not made any significant investment. Save as disclosed herein, the Group had no other plans for material investments or additions of capital assets as at the date of this announcement.

## **Gearing Ratio**

The gearing ratio (sum of interest-bearing bank loans divided by total equity) as at 30 June 2025 was 28.0% (as at 31 December 2024: 3.28%), which was due to the increase in bank loan based on the needs of business development.

## **Contingent Liabilities**

As at 30 June 2025, our Group had no outstanding guarantees or other material contingent liabilities (as at 31 December 2024: nil).

## **Treasury Policies**

We consistently adhere to our treasury policies in managing relevant departments as well as conducting business, accounting and archiving processes. We are committed to safeguarding overall financial security and maintaining a strong cash position and a healthy debt profile with strong repayment capacity. To ensure sound financial management, we have established a long-term, medium-term and short-term liquidity management systems. Through a comprehensive, rational and professional evaluation mechanism, along with annual and monthly cash flow planning, we have established a disciplined fund management framework to effectively mitigate market risks. If new funding needs arise due to factors such as strategic expansion, we will promptly arrange external financing to meet such requirements.

## Foreign Exchange Risk

Other than certain bank deposits which are denominated in USD and HKD (as at 30 June 2025, bank and cash balances denominated in HKD and USD dollars equal to RMB31.6 million in total), the Group's business is principally conducted in RMB and therefore we were not expose to material direct risk of foreign exchange fluctuation as at 30 June 2025. Accordingly, the Group considers its exposure to currency risk to be insignificant. During the Reporting Period, the Group did not enter into any hedging transaction against foreign currency risks. However, the Board will remain alert to any relevant risks and, if necessary, consider to hedge any material potential foreign exchange risk.

## Employees and Benefits Policies

As at 30 June 2025, our Group had 1,336 employees (30 June 2024: 989 employees). During the Reporting Period, the wages and salaries of the employees of the Group were RMB56.8 million (for the six months ended 30 June 2024: RMB51.7 million). An employee's remuneration is determined based on the employee's performance, skills, knowledge, experience and market trends. Our Group regularly reviews compensation policies and programs, and will make necessary adjustment in order to be in line with the remuneration levels in the industry. Our Group also provides various systematic and extensive training programs to its employees. Our Group's employee training programs primarily cover key areas in the Group's business operations, which provide continuous training to our Group's existing employees at different levels to specialise and strengthen their skill sets.

The Company adopted the pre-IPO share option scheme on 27 April 2021 (the “**Pre-IPO Share Option Scheme**”). The purpose of the Pre-IPO Share Option Scheme is to further improve the corporate governance structure of the Company, promote the establishment and improvement of the incentive and constraints mechanism, fully mobilize the initiative, responsibility and sense of mission of the staff of the Company, effectively align the interests of Shareholders, the Company and the management staff, and attract common attention and joint efforts to the long-term development of the Company.

On 22 December 2023, the Company has also adopted the share award scheme which was amended and restated on 20 May 2024 and 14 July 2025, respectively (the “**Share Award Scheme**”). The purposes of the Share Award Scheme are to recognise the contributions by certain eligible participants and to provide them with incentives in order to retain them for the continual operation and development of the Group; and to attract suitable personnel for further development of the Group.

## Major Risks and Uncertainties

The Group recognizes the critical importance of risk management practices and is committed to mitigating risks in its operations and financial condition as efficiently and effectively as possible. The followings are the major risks and uncertainties facing our business:

- (i) a significant portion of our revenue was generated from Desun Group or the properties developed by Desun Group. Desun Group is a connected person of the Group which the Group has no control over it;
- (ii) any financial difficulties encountered by Desun Group could materially and adversely affect the Group's business, financial condition, operating results and prospects;
- (iii) our Group is susceptible to changes in the regulatory landscape of the PRC property management industry;
- (iv) failure to fulfill contractual obligations with clients may negatively impact the Group's operating performance and financial condition; and
- (v) the Group faces intense competition as an increasing number of listed competitors on the Stock Exchange are seeking to acquire high-quality property management companies in the PRC. There is no guarantee that our Group will be able to acquire or invest in the desired targets as planned.

To address the aforementioned risks, the Group will implement mitigation measures in the following aspects:

- (i) **Business Diversification and Refined Management:** the Group will diversify its revenue streams by deepening its presence in three core business segments, optimizing its business structure to reduce reliance on any single business or related parties, thereby strengthening its overall risk resilience. Meanwhile, through digital transformation, the Group will refine cost control and cash flow management to mitigate capital utilization risks, achieving balanced growth in scale and quality.
- (ii) **Resource Allocation Optimisation and Talent Assurance:** by reducing costs and increasing efficiency, along with optimising resource allocation, the Group aims to enhance overall operational efficiency and lower operational costs, thus mitigating risks stemming from regulatory changes or intensified market competition. Furthermore, with a customer value-oriented approach, the Group will elevate service quality, establish a standardized evaluation mechanisms, and refine its talent cultivation and incentive programs to strengthen team execution and innovation capabilities, providing a solid talent foundation to navigate complex and ever-changing market environment.

## Future Outlook

Looking ahead, the Group remains committed to deepening its presence within a diversified value ecosystem, using its three core product lines of integrated commercial-real estate developments, digital economy industrial park and commercial-residential communities as strategic pillars. By collaborating with high-quality partners and resource providers, we will establish a comprehensive lifecycle approach encompassing “investment and development, asset operations and property services”, thereby continuously expanding the value scope of urban asset services.

The Group will continue to increase investments in AI and digital intelligence, building an “algorithm-driven” management hub to enable precision operational oversight, enhance efficiency and provide ongoing technology empowerment for business and decision-making. Meanwhile, we will stay abreast of cutting-edge technologies to deliver more intelligent, experience-enhanced services to users.

The Group will also focus on evolving its user operation system by creating a closed-loop ecosystem of “online communities + offline scenarios + value-added services”. This approach will transform traffic into lasting engagement, elevating users into operable assets and continuously creating incremental value for shareholders, customers and society at large.

## Events after the Reporting Period

On 22 December 2023, the Company adopted the Share Award Scheme. On 20 May 2024, the Board resolved to adopt the amended and restated scheme rules (the “**Amended and Restated Scheme Rules**”) to amend the Share Award Scheme. On 14 July 2025, the Board has resolved to adopt the second amended and restated Scheme Rules (the “**Second Amended and Restated Scheme Rules**”) to further amend the Share Award Scheme. The major amendments include: under the Amended and Restated Scheme Rules, the maximum number of Shares which may be awarded to a Selected Participant under the Scheme shall not exceed one percent (1%) of the issued share capital of the Company in any 12-month period. Pursuant to the Second Amended and Restated Scheme Rules, the aforesaid individual sublimit has been removed. For details, please refer to the announcement of the Company dated 14 July 2025.

Save as disclosed in this announcement, the Group had no significant events after the Reporting Period and up to the date of approval of the unaudited interim condensed consolidated financial information.

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board is committed to maintaining high corporate governance standards.



The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of the Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company's corporate governance practices are based on the principles as set out in the CG Code.

The Company has adopted the principles and code provisions as set out in Part 2 of Appendix C1 to the Listing Rules and complied with the applicable code provisions contained in Part 2 of Appendix C1 to the Listing Rules throughout the Reporting Period except for code provision C.2.1.

Currently, Mr. Zhang Zhicheng serves as both the chairman of the Board and the CEO, and such practice deviates from the code provision C.2.1 of the CG Code which states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Nevertheless, the Board believes that Mr. Zhang's extensive experience and knowledge in the real estate and property management industry, who has guided the Group to complete the initial public offering in December 2021, together with the support of the management, will provide solid and consistent leadership for the Group. Therefore, the Board considers that the deviation from the code provision C.2.1 of the CG Code is appropriate under such circumstances.

## **COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its codes of conduct regarding securities transactions by its Directors and employees (the "**Securities Dealing Code**").

The Company has made specific enquiry of all Directors whether the Directors have complied with the required standard as set out in the Model Code during the Reporting Period and all Directors confirmed that they have complied with the Model Code and the Securities Dealing Code throughout the said period.

## **INTERIM DIVIDEND**

The Board did not recommend the payment of any interim dividend for the six months ended 30 June 2025.



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

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

## **AUDIT COMMITTEE**

The Audit Committee comprises three independent non-executive Directors, namely, Mr. Yan Hong, Mr. Chen Di and Mr. Fang Liqiang. The chairman of the Audit Committee is Mr. Yan Hong.

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group, and discussed internal controls and financial reporting matters, including a review of the unaudited interim financial information for the six months ended 30 June 2025.

## **PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND 2025 INTERIM REPORT**

This announcement is published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.desunhui.com](http://www.desunhui.com)), and the interim report of the Group for the six months ended 30 June 2025 containing all information required by the Listing Rules will be published on the websites of the Stock Exchange and the Company in due course.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following terms shall have the meanings as set out below:

“Audit Committee”	the audit committee of the Board
“Board”	the board of directors of the Company
“CEO” or “Chief Executive Officer”	chief executive officer of the Company
“CG Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules

“Chengdu Desun”	Chengdu Desun Real Estate Investment Property Service Co., Ltd.* (成都德商產投物業服務有限公司), formerly known as Chengdu Desun Investment Management Co., Ltd.* (成都德商投資管理有限公司) at the time of establishment, a company incorporated in the PRC with limited liability on 12 March 2010 and an indirect wholly owned subsidiary of our Company
“China” or “PRC”	People’s Republic of China, but for the purpose of this announcement and for geographical reference only and except where the context requires otherwise, references in this announcement to “China” and the “PRC” do not apply to Hong Kong, the Macau Special Administrative Region and Taiwan
“Company” or “our Company” or “Desun Real Estate Investment”	Desun Real Estate Investment Services Group Co., Ltd. (德商產投服務集團有限公司) (formerly known as Desun Real Estate Investment Services Limited), an exempted company incorporated in the Cayman Islands with limited liability on 10 December 2020
“Desun Group”	Companies in which Mr. Zou Kang has control or joint control, and has significant influence
“Director(s)”	the directors of the Company
“Green Real Estate”	Sichuan Desun Smart Green Real Estate Co., Ltd.* (四川德商智慧綠色置業有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company, which is principally engaged in construction project management business
“Group”, “our Group”, “our”, “we” or “us”	the Company and its subsidiaries from time to time
“HKD”	the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing”	the listing of the shares on the Main Board of the Stock Exchange
“Listing Date”	17 December 2021, being the date of listing of the shares of the Company on the Stock Exchange

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
“Reporting Period”	the six months ended 30 June 2025
“Share(s)”	ordinary shares in the share capital of our Company with a nominal value of USD0.0001 each
“Shareholder(s)”	holder(s) of our Share(s)
“sq.m.”	square meters
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“value-added services”	include value-added services provided to property owners, tenants and non-property owners
“Zhongneng”	Chengdu Zhongneng Property Management Company Limited* (成都中能物業管理有限責任公司), a company incorporated with limited liability in the PRC on 16 May 2006 and an indirect wholly owned subsidiary of our Company
“Zhongneng Group”	Zhongneng and its subsidiary

By order of the Board  
**Desun Real Estate Investment Services Group Co., Ltd.**  
**Zhang Zhicheng**  
*Chairman, Chief Executive Officer and Executive Director*

Hong Kong, 28 August 2025

*As at the date of this announcement, the executive Directors are Mr. Zhang Zhicheng, Ms. Wan Hong, Mr. Liu Jun, Mr. Shao Jiazhen and Ms. Zhu Na, the non-executive Director is Mr. Zou Kang, and the independent non-executive Directors are Mr. Fang Liqiang, Mr. Chen Di and Mr. Yan Hong.*

\* *for identification purpose only*

\*\* *Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments. Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding*