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Ling Yue Services Group Limited

領悅服務集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2165)

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

INTERIM RESULTS AND OPERATIONAL HIGHLIGHTS

- The revenue for the six months ended 30 June 2025 was RMB321.0 million, representing an increase of 2.4% compared with the same period in 2024.
- The gross profit for the six months ended 30 June 2025 was RMB95.1 million, representing a decrease of 4.5% compared with the same period in 2024.
- The net profit for the six months ended 30 June 2025 was RMB53.0 million, representing a decrease of 12.2% compared with the same period in 2024.
- As at 30 June 2025, the Group had 257 contracted projects, contracted GFA of 36.0 million sq.m., 252 projects under management and GFA under management of 31.4 million sq.m..

The board (the “**Board**”) of directors (the “**Directors**”) of Ling Yue Services Group Limited (the “**Company**”) is pleased to announce the unaudited interim condensed consolidated results (the “**Interim Results**”) of the Company and its subsidiaries (together, the “**Group**”) for the six months ended 30 June 2025 (the “**Reporting Period**”), together with the comparative figures for the corresponding period in 2024 as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
REVENUE	3	320,960	313,294
Cost of sales		<u>(225,899)</u>	<u>(213,732)</u>
Gross profit		95,061	99,562
Other income and gains		5,168	3,273
Administrative expenses		(28,076)	(27,475)
Impairment losses on financial assets and goodwill, net		(11,331)	(4,341)
Other expenses		(114)	(153)
Share of profit of:			
Joint ventures		<u>18</u>	<u>709</u>
PROFIT BEFORE TAX	4	60,726	71,575
Income tax expense	5	<u>(7,766)</u>	<u>(11,249)</u>
PROFIT FOR THE PERIOD		<u>52,960</u>	<u>60,326</u>
Attributable to:			
Owners of the parent		49,076	58,018
Non-controlling interests		<u>3,884</u>	<u>2,308</u>
		<u>52,960</u>	<u>60,326</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	7		
Basic and diluted			
— For profit for the period		<u>RMB0.17</u>	<u>RMB0.20</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	2025 <i>RMB'000</i> (Unaudited)	2024 <i>RMB'000</i> (Unaudited)
PROFIT FOR THE PERIOD	<u>52,960</u>	<u>60,326</u>
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	923	(18)
Income tax effect	<u>(138)</u>	<u>3</u>
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	<u>785</u>	<u>(15)</u>
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	<u>785</u>	<u>(15)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>53,745</u>	<u>60,311</u>
Attributable to:		
Owners of the parent	49,861	58,003
Non-controlling interests	<u>3,884</u>	<u>2,308</u>
	<u>53,745</u>	<u>60,311</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the six months ended 30 June 2025

		30 June 2025	31 December 2024
	<i>Notes</i>	RMB'000	RMB'000
		(Unaudited)	(Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		4,010	5,262
Goodwill		6,482	6,482
Other intangible assets		8,261	8,520
Investments in joint ventures		2,300	3,200
Equity investments designated at fair value through other comprehensive income		4,090	3,241
Deferred tax assets		9,022	9,088
		<hr/>	<hr/>
Total non-current assets		34,165	35,793
		<hr/>	<hr/>
CURRENT ASSETS			
Inventories		7,548	2,970
Trade receivables	8	141,311	135,609
Due from related companies		11,963	29,930
Prepayments and other receivables		44,594	52,831
Cash and bank balances		737,816	712,885
		<hr/>	<hr/>
Total current assets		943,232	934,225
		<hr/>	<hr/>
CURRENT LIABILITIES			
Trade payables	9	37,132	41,087
Other payables and accruals		108,604	127,845
Contract liabilities		140,650	161,830
Due to related companies		2,005	1,655
Tax payable		3,698	5,786
		<hr/>	<hr/>
Total current liabilities		292,089	338,203
		<hr/>	<hr/>
NET CURRENT ASSETS		651,143	596,022
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		685,308	631,815
		<hr/>	<hr/>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the six months ended 30 June 2025

	30 June 2025	31 December 2024
Notes	RMB'000 (Unaudited)	RMB'000 (Audited)
NON-CURRENT LIABILITIES		
Deferred tax liabilities	<u>834</u>	<u>936</u>
Total non-current liabilities	<u>834</u>	<u>936</u>
Net assets	<u>684,474</u>	<u>630,879</u>
EQUITY		
Equity attributable to owners of the parent		
Share capital	2,382	2,382
Reserves	<u>662,938</u>	<u>613,078</u>
	665,320	615,460
Non-controlling interests	<u>19,154</u>	<u>15,419</u>
Total equity	<u>684,474</u>	<u>630,879</u>

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

1. CORPORATE AND GROUP INFORMATION

Ling Yue Services Group Limited (the “**Company**”) is incorporated and registered as an exempted company with limited liability in the Cayman Islands. The Company and its subsidiaries now comprising the Group underwent the reorganisation which was completed on 21 January 2021. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 12 July 2021. The registered address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

During the period, the Company and its subsidiaries (together, the “**Group**”) were mainly involved in the provision of property management services, value-added services to non-property owners and community value-added services.

The ultimate controlling shareholders of the Company are Mr. Liu Yuhui, Mr. Liu Ce, Mr. Liu Haowei, Ms. Wang Tao, Ms. Long Yiqin and Ms. Hou Sanli (the “**Controlling Shareholders**”).

In the opinion of the directors, the investment holding companies of the Company are Linghui Holding Limited, Tianyue Holding Limited, Tianyue Capital Limited, Fusheng Capital Holding Limited, Linghui Capital Limited and Jin Sha Jiang Holding Limited, which are incorporated in the British Virgin Islands with limited liability, and controlled by the Controlling Shareholders.

2. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for equity investments designated at fair value through other comprehensive income which have been measured at fair value.

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied, for the first time, the following amendments to IFRS Accounting Standards issued by the IASB which are effective for the Group’s financial year beginning 1 January 2025:

Amendments to IAS 21

Lack of Exchangeability

The application of the amendments to IFRS Accounting Standards in the current interim period has had no material impact on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<i>Revenue from contracts with customers</i>		
Property management services	296,356	276,291
Value-added services to non-property owners	4,045	9,910
Community value-added services	20,559	27,093
Total	<u>320,960</u>	<u>313,294</u>

Disaggregated revenue information for revenue from contracts with customers

For the six months ended 30 June 2025

Segments	Property management services RMB'000 (Unaudited)	Value-added services to non-property owners RMB'000 (Unaudited)	Community value-added services RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Type of services				
Rendering of services	<u>296,356</u>	<u>4,045</u>	<u>20,559</u>	<u>320,960</u>
Total revenue from contracts with customers	<u>296,356</u>	<u>4,045</u>	<u>20,559</u>	<u>320,960</u>
Timing of revenue recognition				
Revenue recognised over time	<u>296,356</u>	<u>4,002</u>	<u>5,190</u>	<u>305,548</u>
Revenue recognised at a point in time	<u>—</u>	<u>43</u>	<u>15,369</u>	<u>15,412</u>
Total revenue from contracts with customers	<u>296,356</u>	<u>4,045</u>	<u>20,559</u>	<u>320,960</u>

For the six months ended 30 June 2024

Segments	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)	Total <i>RMB'000</i> (Unaudited)
Type of services				
Rendering of services	276,291	9,910	27,093	313,294
Total revenue from contracts with customers	<u>276,291</u>	<u>9,910</u>	<u>27,093</u>	<u>313,294</u>
Timing of revenue recognition				
Revenue recognised over time	276,291	8,963	11,120	296,374
Revenue recognised at a point in time	—	947	15,973	16,920
Total revenue from contracts with customers	<u>276,291</u>	<u>9,910</u>	<u>27,093</u>	<u>313,294</u>

4. PROFIT BEFORE TAX

The Group's profit before 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	225,899	213,732
Depreciation of property, plant and equipment	1,711	1,745
Amortisation of other intangible assets	1,984	1,038
Impairment of financial assets, net:		
Impairment of trade receivables, net	13,041	4,654
Reversal of impairment of due from related companies, net	(1,058)	(106)
Impairment of financial assets included in prepayments and other receivables, net	<u>(652)</u>	<u>(207)</u>

5. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands and British Virgin Islands, the Group's subsidiaries incorporated in the Cayman Islands and British Virgin Islands are not subject to any income tax. The Group's subsidiaries incorporated in Hong Kong are not liable for income tax as they did not have any assessable profit currently arising in Hong Kong for the six months ended 30 June 2025.

All subsidiaries of the Group operating in Mainland China are taxed in accordance with the Chinese Corporate Income Tax Law. There were three types of tax rates during the Reporting Period for the Group, including the 25% tax rate, the 15% tax rate under the western preferential tax rate policy, and the preferential tax rate policy for small and low-profit enterprises. For the six months ended 30 June 2025, Lingyue Property Service Group Co., Ltd. and its western branches were subject to the 15% income tax rate, certain subsidiaries were entitled to the preferential tax rate for small and low-profit enterprises, and the remaining subsidiaries and branches were subject to income tax at a rate of 25%.

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Current — Mainland China:		
Charge for the period	7,868	11,627
Deferred tax	(102)	(378)
	<hr/>	<hr/>
Total tax charge for the period	<u>7,766</u>	<u>11,249</u>

6. DIVIDEND

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

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

The calculations of basic 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)
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation:		
From continuing operations	<u>49,076</u>	<u>58,018</u>
Number of shares		
	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	<u>285,685,000</u>	<u>285,685,000</u>

8. TRADE RECEIVABLES

An ageing analysis of the trade receivables as at the end of the Reporting Period, based on the date of revenue recognition, net of provision for the loss allowance for impairment, is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 1 year	102,104	103,024
1 to 2 years	29,873	21,790
2 to 3 years	7,487	8,102
Over 3 years	1,847	2,693
	<hr/>	<hr/>
Total	<u>141,311</u>	<u>135,609</u>

9. TRADE PAYABLES

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

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 1 year	28,943	37,122
Over 1 year	8,189	3,965
	<hr/>	<hr/>
Total	<u>37,132</u>	<u>41,087</u>

BUSINESS REVIEW

The Group remains steadfast in its development strategy of “deep cultivation in Southwest China, establishing a strong presence in Xinjiang, and pursuing nationwide development” and boosts two growth poles of “Sichuan and Xinjiang” of the Company. As a result, the management scale has achieved steady growth. Furthermore, the Group is expanding its operations in sectors such as schools, parks, and public buildings, gradually advancing towards a comprehensive and diversified market. As of 30 June 2025, the Group provided property management services and value-added services for 34 cities in China, with a total of 257 contracted projects (of which 252 projects have been taken over).

OUTLOOK

In the face of opportunities and challenges brought about by the rapid industry growth, in the second half of 2025, we are committed to upholding our service philosophy of “Friendship, Companionship, and Warmheartedness”. With quality as our foundation and warm services as our core, we will strengthen our operational fundamentals, prioritize value creation for customers, expand our service coverage, and persistently pursue long-term, high-quality corporate development.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Model of the Group

The Group has three business lines, namely, (i) property management services, (ii) value-added services to non-property owners, and (iii) community value-added services, forming an integrated service offering to its customers that covers the entire value chain of property management.

- **Property management services.** The Group offers a wide range of property management services to property owners, residents and property developers, as well as tenants in non-residential properties under our management. The Group's services typically include security services, cleaning and greening services, and repair and maintenance services. The Group manages a diverse portfolio of properties, including residential properties, commercial properties and public and other properties.
- **Value-added services to non-property owners.** The Group offers value-added services to non-property owners, including (i) preliminary planning and design consultancy services; (ii) sales office management services; (iii) pre-delivery services; (iv) repair and maintenance services; (v) property transaction assistance services; and (vi) security support services.
- **Community value-added services.** The Group offers community value-added services primarily to property owners and residents to make their lives more convenient, such as (i) community space management services; (ii) decoration and turnkey furnishing services; (iii) convenient living services; and (iv) community retail services.

The Group offers a comprehensive portfolio of property management services in order to diversify the Group's sources of revenue and achieve rapid growth. In recent years, the Group has been strengthening its community value-added service offerings. Leveraging its in-depth understanding of the needs of residents, the Group endeavors to further diversify its community value-added services. Community value-added services have been enhancing the Group's financial performance, as they typically generate higher profit margins, as compared to other types of property management services. The Group will continue to gain greater market shares and expand business presence in China.

Property Management Services

The Group has been providing property management services since its establishment in 2002. As at 30 June 2025, the Group's aggregate contracted gross floor area ("GFA") amounted to approximately 36.0 million square meters ("sq.m."), representing an increase of 1.0% as compared with the same period of 2024. As at 30 June 2025, the Group managed 252 properties with an aggregate GFA under management of approximately 31.4 million sq.m., representing a decrease of 1.0% as compared with the same period of 2024.

The following table sets forth the number of properties and GFA under the Group's management, as well as the number of properties the Group was contracted to manage and the corresponding contracted GFA as of the dates indicated.

	As at 30 June	
	2025	2024
Number of properties under management ⁽¹⁾	252	267
Number of properties contracted for management ⁽²⁾	257	272
GFA under management (thousand sq.m.)	31,353	31,680
Contracted GFA (thousand sq.m.)	36,024	35,665
Undelivered GFA (thousand sq.m.) ⁽³⁾	4,671	3,985

Notes:

- (1) Refers to properties that have been delivered to the Group for property management purposes.
- (2) Refers to all properties for which the Group has entered into the relevant property management service agreements, which may include properties that have not been delivered to the Group for property management purposes in addition to properties under management.
- (3) Undelivered GFA is calculated as the difference between contracted GFA and GFA under management as of the dates indicated. The estimated time of delivery and revenue generation of the undelivered projects as at 30 June 2025 ranges from August 2025 to August 2031.

Geographic Presence of the Group

As at 30 June 2025, the Group has expanded its geographic presence to 34 cities, across 9 provinces, 1 autonomous region and 1 municipality. The following table sets forth a breakdown of total number of projects under management and GFA under management by geographic region as at the dates indicated, and revenue from property management services by geographic region for the periods indicated below.

	As at/For the six months ended 30 June							
	2025				2024			
	Number of projects under management	GFA under management (sq.m.'000)	Revenue RMB'000	%	Number of projects under management	GFA under management (sq.m.'000)	Revenue RMB'000	%
Sichuan Province ⁽¹⁾	212	24,857	231,252	78.3	228	24,686	217,001	78.7
Xinjiang Uygur Autonomous Region ⁽²⁾	13	2,616	24,658	8.3	14	3,243	22,161	8.0
Guangdong Province ⁽³⁾	8	1,029	13,367	4.5	9	1,314	13,325	4.8
Jilin Province ⁽⁴⁾	4	674	10,841	3.7	3	598	10,312	3.7
Hebei Province ⁽⁵⁾	3	200	1,237	0.4	3	200	1,221	0.4
Henan Province ⁽⁶⁾	2	403	3,872	1.3	3	446	4,310	1.6
Hubei Province ⁽⁷⁾	1	396	3,679	1.2	1	396	3,425	1.2
Jiangsu Province ⁽⁸⁾	3	339	998	0.3	1	142	762	0.3
Guizhou Province ⁽⁹⁾	1	428	2,971	1.0	3	467	2,330	0.8
Chongqing Municipality	3	229	1,980	0.7	2	188	1,444	0.5
Fujian Province ⁽¹⁰⁾	2	182	957	0.3	—	—	—	—
Total	<u>252</u>	<u>31,353</u>	<u>295,812</u>	<u>100</u>	<u>267</u>	<u>31,680</u>	<u>276,291</u>	<u>100</u>

Notes:

- (1) The Group provided property management services to properties located in Chengdu, Emeishan, Guangyuan, Leshan, Luzhou, Meishan, Mianyang, Nanchong, Panzhihua, Xichang, Ya'an, Huili, Dazhou, Ziyang, Kangding, Chongzhou, Zigong and Dujiangyan.
- (2) The Group provided property management services to properties located in Kashgar, Urumqi and Korla.
- (3) The Group provided property management services to properties located in Foshan, Shanwei and Huizhou.
- (4) The Group provided property management services to properties located in Changchun.
- (5) The Group provided property management services to properties located in Chengde.

- (6) The Group was contracted to provide property management services to properties located in Luohe and Zhumadian.
- (7) The Group provided property management services to properties located in Jingzhou.
- (8) The Group provided property management services to properties located in Wuxi and Nanjing.
- (9) The Group was contracted to provide property management services to properties located in Kaili.
- (10) The Group provided property management services to properties located in Xiamen.

The following table sets forth a breakdown of the Group's total number of contracted projects, contracted GFA and undelivered GFA by geographic region as at the dates indicated.

	As at 30 June					
	2025			2024		
	Number of contracted projects	Contracted GFA (sq.m.'000)	Undelivered GFA (sq.m.'000)	Number of contracted projects	Contracted GFA (sq.m.'000)	Undelivered GFA (sq.m.'000)
Sichuan Province ⁽¹⁾	215	26,614	1,758	231	26,692	2,006
Xinjiang Uygur Autonomous Region ⁽²⁾	15	4,529	1,913	9	4,233	990
Guangdong Province ⁽³⁾	8	1,181	152	15	1,314	—
Jilin Province ⁽⁴⁾	4	674	—	3	200	—
Hebei Province ⁽⁵⁾	3	200	—	3	818	372
Henan Province ⁽⁶⁾	2	738	334	3	598	—
Hubei Province ⁽⁷⁾	1	396	—	3	942	475
Jiangsu Province ⁽⁸⁾	3	339	—	1	396	—
Guizhou Province ⁽⁹⁾	1	942	514	1	142	—
Chongqing Municipality	3	229	—	2	188	—
Hunan Province	—	—	—	1	142	142
Fujian Province ⁽¹⁰⁾	2	182	—	—	—	—
Total	<u>257</u>	<u>36,024</u>	<u>4,671</u>	<u>272</u>	<u>35,665</u>	<u>3,985</u>

Notes:

- (1) The Group was contracted to provide property management services to properties located in Chengdu, Emeishan, Guangyuan, Leshan, Luzhou, Meishan, Mianyang, Nanchong, Panzhihua, Xichang, Ya'an, Huili, Dazhou, Ziyang, Kangding, Chongzhou, Zigong and Dujiangyan.
- (2) The Group was contracted to provide property management services to properties located in Kashgar, Korla and Urumqi.

- (3) The Group was contracted to provide property management services to properties located in Foshan, Shanwei and Huizhou.
- (4) The Group was contracted to provide property management services to properties located in Changchun.
- (5) The Group was contracted to provide property management services to properties located in Chengde.
- (6) The Group was contracted to provide property management services to properties located in Luohe and Zhumadian.
- (7) The Group was contracted to provide property management services to properties located in Jingzhou.
- (8) The Group was contracted to provide property management services to properties located in Nanjing and Wuxi.
- (9) The Group was contracted to provide property management services to properties located in Kaili.
- (10) The Group was contracted to provide property management services to properties located in Xiamen.

Source of Properties under Management

The Group primarily offers property management services to properties developed by Leading Holdings Group. The following tables set forth a breakdown by developer type as of the dates indicated or the periods indicated of our (i) total number of projects under management and GFA under management, as well as revenue from property management services; and (ii) total number of contracted projects, contracted GFA and undelivered GFA.

Breakdown of the Group's Total Number of Projects under Management, GFA under Management and Revenue from Property Management Services by Developer Type

	As at/For the six months ended 30 June							
	2025				2024			
	Number of projects under management	GFA under management (sq.m.'000)	Revenue RMB'000	%	Number of projects under management	GFA under management (sq.m.'000)	Revenue RMB'000	%
Leading Holdings Group ⁽¹⁾	91	17,774	206,724	70.0	94	16,431	183,358	66.4
Joint ventures of Leading Holdings Group ⁽²⁾	4	390	5,469	1.8	10	1,812	14,722	5.3
Non-Leading Holdings Group and non-joint ventures of Leading Holdings Group ⁽³⁾	157	13,189	83,619	28.2	163	13,437	78,211	28.3
Total	252	31,353	295,812	100	267	31,680	276,291	100

Breakdown of the Group's Total Number of Contracted Projects, Contracted GFA and Undelivered GFA by Developer Type

	As at 30 June					
	2025			2024		
	Number of contracted projects	Contracted GFA (sq.m.'000)	Undelivered GFA (sq.m.'000)	Number of contracted projects	Contracted GFA (sq.m.'000)	Undelivered GFA (sq.m.'000)
Leading Holdings Group ⁽¹⁾	94	19,514	1,740	97	18,169	1,738
Joint ventures of Leading Holdings Group ⁽²⁾	4	427	37	10	2,028	216
Non-Leading Holdings Group and non-joint ventures of Leading Holdings Group ⁽³⁾	159	16,083	2,894	165	15,468	2,031
Total	257	36,024	4,671	272	35,665	3,985

Notes:

- (1) Refers to properties solely developed by Leading Holdings Group or jointly developed by Leading Holdings Group and third-party property developers in which Leading Holdings Group held a controlling interest.
- (2) Refers to properties jointly developed by the Leading Holdings Group and third-party property developers in which the Leading Holdings Group did not hold a controlling interest.
- (3) Refers to properties developed solely by third-party property developers independent from Leading Holdings Group.

Type of Properties under Management

The Group primarily managed residential properties. The Group also managed other types of properties such as commercial properties and public and other properties. The following table sets forth a breakdown of our total GFA under management by property type as of the dates indicated, and revenue from property management services by property type and stage of projects for the periods indicated:

	As at/For the six months ended 30 June							
	2025				2024			
	Number of projects under management	GFA under management (sq.m.'000)	Revenue RMB'000	%	Number of projects under management	GFA under management (sq.m.'000)	Revenue RMB'000	%
Residential properties	135	24,588	240,242	81.2	143	24,980	206,108	74.6
— Preliminary stage ⁽¹⁾	107	18,842	196,740	66.5	122	21,021	170,479	61.7
— Property owners' association stage ⁽²⁾	28	5,746	43,502	14.7	21	3,959	35,629	12.9
Commercial properties	9	1,391	27,379	9.3	8	1,216	38,133	13.8
Public and other properties	108	5,374	28,191	9.5	116	5,484	32,050	11.6
Total	252	31,353	295,812	100	267	31,680	276,291	100

Notes:

- (1) Refers to residential property projects for which property owners' associations were not established as of the dates indicated.
- (2) Refers to residential property projects for which property owners' associations were established as of the dates indicated.

Value-added Services to Non-property Owners

The Group's value-added services to non-property owners include (i) preliminary planning and design consultancy services; (ii) sales office management services; (iii) pre-delivery services; (iv) repair and maintenance services; (v) property transaction assistance services; and (vi) security support services.

During the Reporting Period, revenue from value-added services to non-property owners decreased by 59.2% to approximately RMB4.0 million compared to approximately RMB9.9 million in the corresponding period of 2024, mainly due to a decrease in revenue from sales office management services. During the Reporting Period, the revenue from value-added services to non-property owners accounted for 1.3% of the total revenue of the Group. The following table sets forth a breakdown of our revenue from value-added services to non-property owners for the periods indicated.

For the six months ended 30 June

	For the six months ended 30 June			
	2025		2024	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Preliminary planning and design consultancy services	2,148	53.1	2,110	21.3
Sales office management services	1,702	42.1	6,500	65.6
Pre-delivery services	9	0.2	525	5.3
Repair and maintenance services	153	3.8	505	5.1
Property transaction assistance services	33	0.8	270	2.7
Total	4,045	100	9,910	100

Community Value-added Services

The Group offers community value-added services to property owners and residents, including (i) community space management services; (ii) decoration and turnkey furnishing services; (iii) convenient living services; and (iv) community retail services.

During the Reporting Period, the revenue from community value-added services decreased by 22.1% to approximately RMB21.1 million compared to approximately RMB27.1 million in the corresponding period of 2024, mainly due to a decrease in revenue from turnkey furnishing services. During the Reporting Period, revenue from community value-added services accounted for 6.6% of total revenue of the Group.

The following table sets forth a breakdown of the Group's revenue from community value-added services during the periods indicated.

	For the six months ended 30 June			
	2025		2024	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Community space management services	3,164	15.0	3,915	14.4
Decoration and turnkey furnishing services	6,397	30.3	16,766	61.9
Convenient living services	9,592	45.5	6,314	23.3
Community retail services	1,950	9.2	98	0.4
Total	21,103	100	27,093	100

FINANCIAL REVIEW

Revenue

The Group's revenue is mainly derived from three major businesses: (i) property management services; (ii) value-added services to non-property owners; and (iii) community value-added services. During the Reporting Period, the Group's revenue amounted to approximately RMB321.0 million, representing an increase of approximately 2.4% compared with RMB313.3 million in the same period of 2024. The following table sets out the revenue contribution of each business segment during the period indicated:

	Six months ended 30 June			
	2025		2024	
	Percentage of revenue		Percentage of revenue	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
	Unaudited		Unaudited	
Property management services	295,812	92.1	276,291	88.2
Value-added services to non-property owners	4,045	1.3	9,910	3.2
Community value-added services	21,103	6.6	27,093	8.6
Total	320,960	100	313,294	100

Property management services is still the largest source of revenue for the Group. For the six months ended 30 June 2025, revenue from property management services amounted to approximately RMB295.8 million, accounting for 92.1% of the total revenue of the Group. Such revenue growth was attributable to the higher average unit price of the newly delivered properties. The decrease in revenue from value-added services to non-property owners was mainly due to a decrease in revenue from sales office management services. The decrease in revenue from community value-added services was mainly due to a decrease in revenue from turnkey furnishing services.

Cost of Sales

The cost of sales of the Group mainly includes (i) staff costs; (ii) subcontracting costs; (iii) costs of consumables; (iv) utilities costs; (v) office expenses; and (vi) repair and maintenance costs.

During the Reporting Period, the cost of sales of the Group was approximately RMB225.9 million, representing an increase of approximately 5.7% compared with approximately RMB213.7 million in the corresponding period of 2024. The increase in cost of sales of the Group was mainly due to an increase in operating costs as a result of the Group investing more in foundation facilities in order to improve the quality of the properties..

Gross profit and gross profit margin

During the Reporting Period, the Group's gross profit decreased by 4.5% from approximately RMB99.6 million for the corresponding period in 2024 to approximately RMB95.1 million.

During the Reporting Period, the gross profit margin of the Group decreased by 2.2 percentage points to 29.6% from 31.8% for the same period in 2024, mainly due to an increase in operating costs.

The gross profit margin of the Group by business line is as follows:

	Six months ended 30 June		
	2025 gross profit margin %	2024 gross profit margin %	Changes in gross profit margin %
Property management services	29.4	30.2	-0.8
Value-added services to non-property owners	31.1	33.3	-2.2
Community value-added services	38.0	46.9	-8.9
Total	29.6	31.8	-2.2

Administrative expenses

During the Reporting Period, the administrative expenses of the Group increased by approximately 2.2% from approximately RMB27.5 million for the same period in 2024 to approximately RMB28.1 million, mainly due to the increase of labor cost.

Income tax expenses

During the Reporting Period, the income tax expenses of the Group decreased by approximately 31% from RMB11.2 million for the same period in 2024 to approximately RMB7.8 million. The decrease in income tax expenses was mainly due to a decrease in taxable profit.

Profit attributable to owners of the Company

During the Reporting Period, the profit and total comprehensive income attributable to owners of the Company for the period was approximately RMB49.9 million, representing a decrease of approximately 14% compared with RMB58 million for the same period in 2024.

Trade receivables

The Group's trade receivables mainly relate to income from property management services, value added services to non-property owners and community value-added services provided to independent third parties. As at 30 June 2025, the Group's trade receivables amounted to approximately RMB141.3 million, representing an increase of approximately RMB5.7 million or 4.2% compared with approximately RMB135.6 million as at 31 December 2024. The increase was due to an increase in total revenue.

Prepayments, deposits and other receivables

As at 30 June 2025, the Group's prepayments, deposits and other receivables amounted to approximately RMB44.6 million, representing a decrease of approximately 15.6% compared with approximately RMB52.8 million as at 31 December 2024. The decrease was due to a significant decrease in balance of cash in transit.

Trade payables

As at 30 June 2025, the Group's trade payables amounted to approximately RMB37.1 million, representing a decrease of approximately 9.6% from approximately RMB41.1 million as at 31 December 2024. The decrease was mainly due to the Group changing the payment schedule due to the market situation.

Liquidity and financial resources

The Group has adopted a prudent financial management approach towards its treasury policy. 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 the funding requirements of the Group in the foreseeable future.

During the Reporting Period, the Group's principal use of cash was investment, information construction and working capital, which was mainly funded by proceeds from the Company's operations.

Interest rate risk

As the Group had no significant interest-bearing assets and liabilities, the Group is not exposed to material risk directly relating to changes in market interest rates.

Foreign exchange risk

The Group primarily operates its business in the PRC. The currency in which the Group denominates and settles all of its transactions is Renminbi. Any depreciation of Renminbi would adversely affect the value of any dividends the Group pays to shareholders of the Company (the “**Shareholders**”) outside of the PRC. As at 30 June 2025, the Group had no cash at banks denominated in foreign currencies. The Group currently does not engage in hedging activities designed or intended to manage foreign exchange rate risk.

Gearing ratio

Gearing ratio is calculated based on the sum of interest-bearing borrowings as of the respective dates divided by total equity as of the same dates and multiplied by 100%. Gearing ratio as at 30 June 2025 is not meaningful because our interest-bearing borrowings as at the same dates were nil (as at 31 December 2024: nil).

CONTINGENT LIABILITIES

As of 30 June 2025, the Group had no contingent liabilities.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES

There were no material acquisition and disposal of subsidiaries, associated companies and joint ventures by the Group during the Reporting Period.

SIGNIFICANT INVESTMENTS HELD BY THE GROUP

During the Reporting Period, there were no significant investments held by the Group.

FUTURE PLAN FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the section “Future Plans and Use of Proceeds” in the prospectus of the Company dated 29 June 2021, the Group had no plan for material investments and capital assets as at 30 June 2025.

PLEDGE OF ASSETS

As at 30 June 2025, the pledge deposit of the Group was RMB0.1 million (31 December 2024: RMB0.1 million).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the Group had 5,260 employees (31 December 2024: 5,644 employees). During the Reporting Period, the total staff costs were approximately RMB149.7 million as compared to approximately RMB149.5 million for the same period in 2024.

The Group will further enhance its employee training program with internal and external resources. The employee training programs primarily cover key areas in the Group's business operations, which provide continuous training to its existing employees at different levels to specialize and strengthen their skill sets.

The Group adopts remuneration policies similar to those of its peers in the industry. The remuneration payable to its staff is fixed by reference to the duties and the prevailing market rates in the region. Discretionary performance bonus after assessments is paid to employees to reward their contributions. The Group is subject to social insurance contribution plans or other pension schemes prescribed by the local governments and is required to pay on behalf of its employees, a monthly social insurance funds covering pension fund, medical insurance, work-related injury insurance, maternity insurance and unemployment insurance, and the housing provident fund, or to contribute regularly to mandatory provident fund schemes on behalf of its employees. In determining the remuneration and compensation packages of the Directors and senior management, the Group will take into account salaries paid by comparable companies, time commitment and responsibilities of the Directors and performance of the Group.

SUBSEQUENT SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There have been no significant events affecting the Company since 30 June 2025 and up to the date of this announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to maintaining and strengthening high standards of corporate governance by focusing on principles of integrity, accountability, transparency, independence, responsibility and fairness, in order to safeguard and protect the interests of the Shareholders and to enhance corporate value and accountability system.

The Company has adopted the principles and code provisions in Part 2 of the Corporate Governance Code (“**CG Code**”) contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) as the basis of the Company's corporate governance practices. So far as the Directors are aware, the Company has complied with all the applicable code provisions set out in Part 2 of the CG Code during the Reporting Period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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

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

The Company and its subsidiaries did not purchase, sell or redeem any of the listed securities of the Company during the Reporting Period (including sale of treasury shares (as defined in the Listing Rules)). As at 30 June 2025, no treasury shares were held by the Company.

INTERIM DIVIDEND

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

REVIEW OF UNAUDITED INTERIM RESULTS BY THE AUDIT COMMITTEE

The Company has established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code as set out in Appendix C1 to the Listing Rules. The Audit Committee is responsible for reviewing and monitoring the financial reporting, risk management and internal control systems of the Company, and assisting the Board to fulfill its responsibility over the audit.

The Audit Committee comprises three members, namely Ms. Luo Ying, Mr. Hu Ning and Ms. Zou Dan, all of whom are the independent non-executive Directors. Ms. Zou Dan has been appointed as the chairlady of the Audit Committee and has the appropriate professional qualifications or related financial management expertise as required under Rule 3.10(2) of the Listing Rules.

As at the date of this announcement, the Audit Committee has reviewed the unaudited interim results of the Group for the six months ended 30 June 2025. The Audit Committee and the Company’s management have also reviewed the accounting principles and practices adopted by the Group and discussed matters in relation to risk management, internal control and financial reporting. The Audit Committee has agreed with the management of the Company on the interim results of the Group for the six months ended 30 June 2025.

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

This interim results announcement will be published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Company (www.lingyue-service.com), respectively. The interim report of the Company for the six months ended 30 June 2025 will be provided to the Shareholders in due course and will be made available on the above websites, respectively.

By Order of the Board
Ling Yue Services Group Limited
Liu Yuqi
Chairman

Hong Kong, 29 August 2025

As at the date of this announcement, the Board comprises Mr. Liu Yuqi and Ms. Luo Hongping as executive Directors; Ms. Wang Tao and Ms. Hou Sanli as non-executive Directors; and Ms. Luo Ying, Mr. Hu Ning and Ms. Zou Dan as independent non-executive Directors.