2025中期報告

INTERIM REPORT

融創服務控股有限公司
SUNAC SERVICES HOLDINGS LIMITED
（於開曼群島註冊成立的有限責任公司）
(INCORPORATED IN THE CAYMAN ISLANDS WITH LIMITED LIABILITY)

STOCK CODE 股份代號：01516.HK

SUNAC SERVICES HOLDINGS LIMITED
融創服務控股有限公司

融創服務控股有限公司(「本公司」,連同其附屬公司統稱為「本集團」)是一家於香港聯合交易所有限公司(「聯交所」)主板上市的公司。

本集團自成立以來,聚焦核心城市中高端物業,踐行高質量發展戰略,佈局物業管理及商業運營綜合服務兩大業務板塊,逐步確立了行業領先地位。本集團始終以「至善 • 致美」為服務理念,為客戶提供全面的高品質物業服務,致力於成為「中國品質服務首選品牌」。

Sunac Services Holdings Limited (the "Company", together with its subsidiaries, the "Group") is a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Since its establishment, the Group has focused on mid-to-high-end properties in core cities, adhered to the strategy of high quality development, and developed two main business segments of property management and comprehensive commercial operational services, owing to which, the Group has established its leading position in the industry gradually. In pursuit of its service philosophy of "commitment to excellence and beauty" (至善 • 致美), the Group offers a full range of high-quality property services to its customers and is dedicated to becoming the "Best Quality Service Provider in China".

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CORPORATE INFORMATION

BOARD OF DIRECTORS

CHAIRMAN AND NON-EXECUTIVE DIRECTOR

Mr. Wang Mengde

EXECUTIVE DIRECTORS

Ms. Cao Hongling *(Chief Executive Officer)*
Ms. Yang Man

NON-EXECUTIVE DIRECTORS

Mr. Lu Peng
Mr. Gao Xi

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Wang Lihong
Mr. Yao Ning
Mr. Zhao Zhonghua

AUDIT COMMITTEE

Mr. Yao Ning *(Chairperson)*
Ms. Wang Lihong
Mr. Zhao Zhonghua

REMUNERATION COMMITTEE

Ms. Wang Lihong *(Chairperson)*
Ms. Cao Hongling
Mr. Yao Ning
Mr. Zhao Zhonghua

NOMINATION COMMITTEE

Mr. Wang Mengde *(Chairperson)*
Ms. Wang Lihong
Mr. Yao Ning
Mr. Zhao Zhonghua

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Ms. Cao Hongling *(Chairperson)*
Ms. Yang Man
Ms. Wang Lihong
Mr. Yao Ning
Mr. Zhao Zhonghua

COMPANY SECRETARY

Mr. Zhang Xiaoming

AUTHORISED REPRESENTATIVES

Ms. Yang Man
Mr. Zhang Xiaoming

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

31/F, Tower Two, Times Square
1 Matheson Street
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Hong Kong

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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Sunac Center
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Nankai District
Tianjin
PRC

REGISTERED OFFICE

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Grand Cayman, KY1-9005
Cayman Islands

CORPORATE INFORMATION

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

LEGAL ADVISER

Sidley Austin

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor

PRINCIPAL BANKERS

Industrial and Commercial Bank of China
China Construction Bank

STOCK CODE

HKSE: 01516

COMPANY'S WEBSITE

www.sunacservice.com

CHAIRMAN'S STATEMENT

Dear Shareholders,

I would like to present to you the business review of the Company for the first half of 2025 and the business outlook for the second half of 2025.

Review of the First Half of 2025

In the first half of 2025, the property management industry faced more challenges than before. Government authorities enhanced their focus on livelihood industries with stricter policy supervision. Besides, in property owners' end, they became increasingly sensitive to property management fee level, and their demand for cost-effective services became more urgent. The industry is undergoing transformations on its path toward marketization, and the Group believes that only by staying true to its core principles, maintaining strategic resolve, and proactively adapting, evolving, adjusting and innovating in strategies can we navigate the cycle and embrace new development opportunities.

For the six months ended 30 June 2025 (the "Period"), the Group achieved revenue of approximately RMB3.547 billion, representing a year-on-year increase of approximately 2%. Benefiting from the Group's effective control on selling and marketing expenses and administrative expenses and a significant reduction in impairment provisions for trade receivables from related parties, the Group recorded profit attributable to owners of the Company for the Period of approximately RMB122 million, compared with a loss in the same period of 2024. During the Period, the Group's gross profit decreased as compared to the same period last year, primarily attributable to two factors: (1) the Group's deferral of revenue recognition for certain third-party customers for whom the Group fulfilled its performance obligations but collection risks were high; and (2) the increased repair and maintenance costs resulting from the expiration of warranties on projects delivered in the recent years.

In the first half of 2025, the Group maintained a stable development trend in its overall management scale. As of 30 June 2025, the Group's gross floor area ("GFA") under management reached approximately 293 million square meters, and the annual saturated revenue of projects under management increased to approximately RMB7.2 billion, among which, strategically core cities accounted for approximately 87% of the saturated revenue. In the first half of 2025, the Group achieved an annual contract value of approximately RMB180 million in market expansion, representing a year-on-year growth of approximately 8%. The Group further refined its strategic focus on strategically core cities, conducting detailed analysis to identify the development potential and management density of core cities. For cities with development potential, the Group deepened its expansion efforts, with the annual contract value of potential cities accounting for approximately 91%. Meanwhile, the Group proactively laid out its industrial customers aligned with national policy directions and with broad development prospects, including the new energy vehicle industry, the financial industry, the technology industry, and elderly care industry.

The Group believes that in a challenging market environment, adhering to the consistency between quality and price and forging the core competitiveness of products are the fundamental guarantees to navigate the cycle. The residential segment is the Group's strategic key business, particularly in the mid-to-high-end residential service sector, where the Group has solid professional accumulation, rich management experience, and good customer reputation. We are committed to developing the mid-to-high-end residential service sector as the Group's signature product. In the first half of 2025, centering on the garden landscapes, water system landscapes, decorative landscapes, interactive park spaces and interactive indoor spaces of mid-to-high-end projects, the Group meticulously refined service standards and launched the "Harmonious Five Realms (融韵五境)" featured product to enhance mid-to-high-end customers' perception and recognition of its services. This also supported the Group's continued expansion of multiple mid-to-high-end existing residential projects in high-tier cities such as Shanghai and Tianjin, fully leveraging the product advantages in the mid-to-high-end residential service sector. As property owners' emotional needs continued to escalate, creating emotional value for property owners has become increasingly important while strengthening the product core identify. In the first half of 2025, the Group carefully developed the "Community Building" featured product, collaborating with multiple parties to continuously improve and promote the community council system, and effectively connecting property owner customers, grassroots government organizations and business resources to achieve co-governance, co-construction, and harmonious development.

In the first half of 2025, the structure and quality of the Group's living services business continued to improve. Faced with challenges such as declining delivery volumes, the rise of new media, and property owners' increasing demand for greater autonomy over community spaces, traditional space resource leasing and other park space operation-related businesses faced growth pressures. The Group actively integrated merchant resources surrounding communities, cultivated its own leasing and operational capabilities, and developed convenience-oriented advertising and market exhibition businesses in line with property owners' needs, refining solutions that integrated space resources with private domain traffic. Meanwhile, the Group continued to focus on the development of convenient living services business for property owners, and provide convenient living services business for property owners such as community product sales, home repairs, partial house refurbishment and renovation, housekeeping and leasing and sales tailored to the needs of C-end property owners. While overall revenue and gross profit for living services business remained largely stable in the first half of 2025, the convenient living services business for property owners achieved growth in both revenue and gross profit. The Group has developed core products to continuously enhance property owners' confidence and understanding on property value-added services, increasing property owner engagement. The number of property owner-users grew by approximately 139% year-on-year, and the volume of service orders increased by approximately 2.5 times year-on-year. Building on the continuous improvement of products and services, the Group has continued to promote organizational synergy, clearly defining responsibilities with shared accountability, while also enabled revenue-sharing and energizing dynamics, thereby fully leveraging the advantages of conducting living services business under the property scenarios.

In terms of commercial operations, the Group continuously innovated its business scenarios in response to evolving market conditions, and upgraded its experiential business formats, injecting new vitality into its commercial activities and driving stable growth in both customer traffic and sales for its operation management projects. In the first half of 2025, the projects operated under management by the Group achieved sales exceeding RMB3.8 billion, representing a year-on-year growth of approximately 2%; and customer traffic reaching approximately 70 million visits, representing a year-on-year increase of approximately 2%. Regarding operational model innovation, Chengdu Global Center leveraged its cultural tourism features to further enhance its entertainment and experiential offerings based on its existing large-scale indoor water entertainment and experiential business, through the introduction of DeyunShe's (德雲社) first Southwest China venue, talk show theaters, and trendy fitness brands. Sunac's World of Dianchi Lake, Kunming (昆明融創滇池後海), leveraging its unique local cultural attributes and advantages, continuously upgraded its cultural experiences, held activities such as the Daile Water Splashing Festival (傣泐潑水節) and immersive boat tours, and introduced cultural exhibition halls showcasing distinctive local characteristics. These activities aimed to drive consumption through experiential offerings, revitalize traditional business with new business, and unleash new vitality in commercial operations.

CHAIRMAN'S STATEMENT

OUTLOOK OF THE SECOND HALF OF 2025

Looking ahead, the property management industry continues to face pressures and challenges, but these pressures and challenges also give rise to a future of resilient development. Policy directions have become clearer, guiding the industry toward healthy and long-term development. The increasingly exacting demands from customers on both service and price makes property management companies to become more refined in their management. The more intensified market competition has raised requirements for property management companies to possess more comprehensive capabilities.

The Group firmly believes that only by strengthening their foundations and adapting proactively to change can property management companies survive healthily and develop with quality over the long term. The Group will adhere to its bottom lines, make strategic choices, and resolutely ensure the quality of its overall operations; maintain stable service quality and improve customer perception; and preserve its team's professional and pragmatic attitude as well as its resilient spirit. At the same time, the Group will remain focused on deepening its presence in high-end residential and industrial integrated office sectors, developing flagship living service products, and strengthening its service and product identity, thereby ensuring a solid foundation for healthy and sustainable growth. In the face of changes and challenges, the Group will promote the structure improvement in a flatter and more efficient way, embrace new technologies to enhance management efficiency, adjust business models to optimize costs, and build more positive ecosystem relationships, thereby making breakthroughs and adjustments and gathering strength to move forward.

Sunac Services Holdings Limited
Wang Mengde
Chairman of the Board

Hong Kong, 25 August 2025

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

1. REVENUE

For the six months ended 30 June 2025, the Group recorded revenue of approximately RMB3,546.6 million, representing an increase of approximately RMB62.9 million (approximately 1.8%) as compared with approximately RMB3,483.7 million for the six months ended 30 June 2024. The increase in revenue was primarily due to the increase in revenue from property management and operational services. The following tables set forth the details of the Group's total revenue by source and business line for the periods indicated:

By source:

	For the six months ended 30 June				
	2025		2024		Growth rate
	RMB'000	**%**	RMB'000	%	%
Third parties	**3,443,311**	**97.1**	3,390,067	97.3	1.6
Related parties	**103,294**	**2.9**	93,661	2.7	10.3
Total	**3,546,605**	**100.0**	3,483,728	100.0	1.8

By business line:

	For the six months ended 30 June				
	2025		2024		Growth rate
	RMB'000	**%**	RMB'000	%	%
Property management and operational services	**3,292,305**	**92.8**	3,172,442	91.1	3.8
Community living services	**210,732**	**6.0**	212,032	6.1	–0.6
Value-added services to non-property owners	**43,568**	**1.2**	99,254	2.8	–56.1
Total	**3,546,605**	**100.0**	3,483,728	100.0	1.8

Revenue from property management and operational services recorded an increase of approximately 3.8% as compared to the same period last year. As for value-added services to non-property owners, revenue for the six months ended 30 June 2025 recorded a continuous decline as there was no significant improvement in the real estate industry, the business volume contracted, and the Group continuously adjusted the business based on the principle of marketization.

Property management and operational services

For the six months ended 30 June 2025, the Group's revenue from property management and operational services was approximately RMB3,292.3 million, representing an increase of approximately RMB119.9 million (approximately 3.8%) as compared with that for the six months ended 30 June 2024, which was mainly attributable to the increase in GFA under management that was in line with the Group's business expansion. In particular, the revenue from the development of properties by Sunac Group, its joint ventures and associates[1] amounted to approximately RMB2,376.3 million, accounting for approximately 72.2%, and revenue from the development of properties by independent third-party property developers[2] amounted to approximately RMB916.0 million, accounting for approximately 27.8%. By type of projects, revenue from residential properties was approximately RMB2,709.2 million, accounting for approximately 82.3%; revenue from non-residential properties was approximately RMB583.1 million, accounting for approximately 17.7%.

Community living services

For the six months ended 30 June 2025, the Group's revenue from community living services was approximately RMB210.7 million, basically same as the six months ended 30 June 2024.

The following table sets forth the components of the Group's revenue from community living services for the periods indicated:

	For the six months ended 30 June			
	2025		2024	
	RMB'000	**%**	RMB'000	%
Convenient living services for property owners	**120,266**	**57.1**	113,082	53.3
Park operation services	**90,466**	**42.9**	98,950	46.7
Total	**210,732**	**100.0**	212,032	100.0

Convenient living services for property owners mainly include community product sales, house cleaning and home repair and maintenance services, partial house renovation and transformation, water sales through community automatic water dispensers, community charging station charging and property agency services, etc., tailored to meet the needs of property owners. Revenue from convenient living services for property owners for the six months ended 30 June 2025 was approximately RMB120.3 million, representing an increase of approximately RMB7.2 million as compared with that for the six months ended 30 June 2024. Such increase was mainly due to the Group's continuous focus on developing its core flagship products during the Period and the ongoing optimization of the linkage mechanism between the living services business and property management services business.

Notes:

1: Including properties developed independently by Sunac China Holdings Limited ("Sunac China") and its subsidiaries (the "Sunac China Group"), excluding the Group ("Sunac Group"), and jointly with other property developers.

2: Including properties other than those developed independently by Sunac Group or jointly with other property developers.

Park operation services mainly include the park site resource leasing and the renovation and construction waste cleaning services, etc. Revenue from park operation services for the six months ended 30 June 2025 was approximately RMB90.5 million, representing a decrease of approximately RMB8.5 million as compared with that for the six months ended 30 June 2024. Such decrease was mainly due to the decrease in the revenue from renovation and construction waste cleaning services, resulting from the corresponding decrease in the renovation volume of property owners, which led by the year-on-year decrease in the scale of property management projects delivered by developers during the Period.

Value-added services to non-property owners

For the six months ended 30 June 2025, the Group's revenue from value-added services to non-property owners amounted to approximately RMB43.6 million, representing a decrease of approximately RMB55.7 million (approximately 56.1%) as compared with approximately RMB99.3 million for the six months ended 30 June 2024. It was mainly due to the fact that revenue for the six months ended 30 June 2025 continuously declined as the business volume for the real estate contracted, while the Group continued to undertake such business based on the principle of marketization.

The following table sets forth the components of the Group's revenue from value-added services to non-property owners for the periods indicated:

	For the six months ended 30 June			
	2025		2024	
	RMB'000	**%**	RMB'000	%
Sales assistance services	**19,960**	**45.8**	39,503	39.8
Consultancy and other value-added services	**13,425**	**30.8**	34,245	34.5
Others	**10,183**	**23.4**	25,506	25.7
Total	**43,568**	**100.0**	99,254	100.0

2. COST OF SALES

The Group's cost of sales refers to the costs directly related to the provision of services, including (i) staff cost, mainly related to on-site staff providing property management and operational services at properties under management; (ii) security, maintenance, cleaning and greening costs in connection with sub-contracting services; (iii) utilities cost; (iv) cost of consumable materials; (v) depreciation and amortisation; (vi) office, travelling and communication cost; and (vii) other cost such as community activity cost.

The Group's cost of sales amounted to approximately RMB2,775.1 million for the six months ended 30 June 2025, representing an increase of approximately RMB179.8 million (approximately 6.9%) as compared with approximately RMB2,595.3 million for the six months ended 30 June 2024.

3. GROSS PROFIT AND GROSS PROFIT MARGIN

The Group's gross profit amounted to approximately RMB771.5 million for the six months ended 30 June 2025, representing a decrease of approximately RMB116.9 million (approximately 13.2%) as compared with approximately RMB888.4 million for the six months ended 30 June 2024. The Group's gross profit margin for the six months ended 30 June 2025 was approximately 21.8%, representing a decrease of approximately 3.7 percentage points from 25.5% for the six months ended 30 June 2024. The decrease in gross profit margin was mainly attributable to the decrease in the gross profit margin of property management and operational services.

The following table sets forth the details of the Group's gross profit and gross profit margin by business lines for the periods indicated:

	For the six months ended 30 June			
	2025		2024	
	Gross Profit RMB'000	**Gross Profit Margin %**	Gross Profit RMB'000	Gross Profit Margin %
Property management and operational services	**663,628**	**20.2**	756,600	23.8
Community living services	**94,666**	**44.9**	93,396	44.0
Value-added services to non-property owners	**13,244**	**30.4**	38,428	38.7
Total	**771,538**	**21.8**	888,424	25.5

The gross profit margin of property management and operational services decreased from approximately 23.8% for the six months ended 30 June 2024 to approximately 20.2% for the six months ended 30 June 2025, which was mainly due to the Group's deferral of revenue recognition for certain third-party customers for whom the Group fulfilled its performance obligations but collection risks were high, as well as increased repair and maintenance costs resulting from the expiration of warranties on projects delivered in the recent years.

4. ADMINISTRATIVE EXPENSES

For the six months ended 30 June 2025, the Group's administrative expenses amounted to approximately RMB257.3 million, representing a decrease of approximately RMB37.2 million from approximately RMB294.5 million for the six months ended 30 June 2024. The decrease in administrative expenses was mainly attributable to the Group's ongoing efforts in implementation of intensive management and optimizing the management structure while developing its businesses, so as to save cost expenditures.

5. SELLING AND MARKETING EXPENSES

For the six months ended 30 June 2025, the Group's selling and marketing expenses amounted to approximately RMB21.8 million, representing a decrease of approximately RMB4.1 million from approximately RMB25.9 million for the six months ended 30 June 2024, which was mainly attributable to the Group's ongoing intensive management efforts alongside business expansion, which included optimizing staffing structures and enhancing control over marketing expenditure efficiency, thereby increasing the return on investment.

6. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

For the six months ended 30 June 2025, the Group's net impairment losses on financial assets amounted to approximately RMB346.0 million, in which, the net impairment losses on financial assets from related parties amounted to approximately RMB80.1 million, while the net impairment losses on financial assets from third parties amounted to approximately RMB265.9 million. During the Period, in light of the decline in the value of collateral pledged for repayment of amounts due from related parties, the Group further made impairment provisions on trade receivables from related parties. In addition, the rate of repayment from third-party property owners for whom the Group provided property management and operational services continuously slowed down, resulting in an increase in the credit risk of the Group's trade receivables from third parties and hence an increase in the provision for impairment on trade receivables from third parties.

7. FINANCE INCOME, NET

The Group's finance income mainly represents the interest income on bank deposits, and finance costs mainly represent the Group's interest of lease liabilities charged to profit or loss over the lease period under certain of its lease arrangements.

For the six months ended 30 June 2025, the Group's net finance income amounted to approximately RMB11.3 million, representing a decrease of approximately RMB12.2 million from approximately RMB23.5 million for the six months ended 30 June 2024. The change was mainly due to the decrease in cash balance and lower interest rate for bank deposits comparing to the same period last year, resulting in the decrease in interest income on the Group's deposits by approximately RMB12.5 million as compared to the same period last year.

8. NET PROFIT/LOSS

For the six months ended 30 June 2025, the Group's net profit amounted to approximately RMB141.5 million, in which, the profit attributable to the owners of the Company was approximately RMB121.9 million. For the six months ended 30 June 2024, the Group's net loss amounted to approximately RMB460.4 million, and the loss attributable to the owners of the Company was approximately RMB472.2 million.

9. TRADE AND OTHER RECEIVABLES

Trade and other receivables include trade receivables and other receivables.

As at 30 June 2025, the Group's net trade and other receivables (including current and non-current) were approximately RMB3,950.7 million, representing an increase of approximately RMB360.5 million as compared with approximately RMB3,590.2 million as at 31 December 2024, which was mainly due to the increase in the Group's gross trade receivables by approximately RMB687.8 million as compared to the end of the last year and the increase in impairment provision on trade and other receivables by approximately RMB338.7 million as compared to the end of the last year. The increase in gross trade receivables was mainly due to the continuous slowdown in the rate of repayment from third-party property owners affected by the changes in the external environment during the Period and the revenue from property management and operational services being mostly collected in the second half of the year affected by the payment habits of third-party property owners for property management and operational services of the Group. The increase in impairment provisions was mainly due to the fact that the Group further made impairment provisions on trade receivables for the sake of prudence.

10. TRADE AND OTHER PAYABLES

Trade and other payables include trade payables, temporary receipt on behalf, deposits payables, payroll and welfare payables, etc.

As at 30 June 2025, the Group's trade and other payables were approximately RMB2,565.2 million, representing a decrease of approximately RMB276.3 million from approximately RMB2,841.5 million as at 31 December 2024, which was mainly due to the decrease in consideration payable arising from non-controlling shareholders' put option.

11. AVAILABLE FUNDS, FINANCIAL AND CAPITAL RESOURCES

As at 30 June 2025, the total amount of available funds (including cash and cash equivalents, restricted cash, bank deposits with the maturity over three months and wealth management products) of the Group was approximately RMB3,044.5 million, representing a decrease of approximately RMB1,024.3 million from approximately RMB4,068.8 million as at 31 December 2024, which was mainly due to the net cash outflows from the payment of dividends during the Period and operating activities. As at 30 June 2025, all of the Group's wealth management products were products at medium-low risk, all being either demand deposits or maturing within four months after 30 June 2025.

As at 30 June 2025, the Group's net current assets (current assets less current liabilities) amounted to approximately RMB2,434.3 million (31 December 2024: approximately RMB2,454.3 million). The Group's current ratio (calculated by dividing current assets by current liabilities) was approximately 1.5 times (31 December 2024: approximately 1.5 times).

As at 30 June 2025, the Group had no loans or borrowings (31 December 2024: Nil). As at 30 June 2025, the gearing ratio (as calculated by dividing total borrowings less lease liabilities by total equity as at the date indicated and multiplied by 100%) was nil (as at 31 December 2024: Nil).

The Group meets and expects to continue meeting its operating capital, capital expenditure and other capital needs with cash generated from operations and proceeds from the Company's listing on the Main Board of the Stock Exchange.

12. CASH FLOW

For the six months ended 30 June 2025, the Group's net cash outflow from operating activities was approximately RMB691.1 million (for the six months ended 30 June 2024: net outflow of approximately RMB492.1 million). The increase in net cash outflow from operating activities was mainly due to the continuous slowdown in the rate of repayment from third-party property owners affected by the changes in the external environment during the Period. The net cash outflow from investing activities was approximately RMB819.7 million (for the six months ended 30 June 2024: net outflow of approximately RMB780.6 million), mainly due to the net outflow from the Group's purchase of wealth management products. The net cash outflow from financing activities was approximately RMB465.8 million (for the six months ended 30 June 2024: net outflow of approximately RMB528.3 million), mainly due to the net cash outflow from the payment of dividends by the Company.

13. INTEREST RATE RISK

As the Group has no material interest-bearing assets and liabilities, the Group's income and operating cash flows are substantially independent from changes in market interest rates.

14. FOREIGN EXCHANGE RISK

The Group's operating activities are principally conducted in the PRC and most of its operations are denominated in RMB. The Group will closely monitor the fluctuations of the RMB exchange rate and give prudent consideration as to entering into currency swap arrangement as and when appropriate for hedging corresponding risks. As at 30 June 2025, the Group had no significant foreign exchange risk and had not engaged in hedging activities for managing foreign exchange risk.

15. PLEDGE OF ASSETS

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

16. CONTINGENT LIABILITIES

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

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted the Corporate Governance Code (the "Corporate Governance Code") contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") as its own code on corporate governance and had complied with all applicable code provisions of the Corporate Governance Code for the six months ended 30 June 2025.

The board (the "Board") of directors (the "Directors") of the Company recognises and appreciates the importance and benefits of good corporate governance practices and has adopted corporate governance and disclosure practices for achieving a higher standard of transparency and accountability. The Board members will have regular discussions about the performance and business strategies of the Group. They, together with the relevant senior executives of the Company, have also attended training on the Listing Rules and other regulatory requirements. The Company has established an internal reporting practice within the Group in order to monitor the operation and business development of the Group.

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") contained in Appendix C3 to the Listing Rules as the guidelines for the Directors' dealings in the securities of the Company. Following specific enquiries of all the Directors, all Directors confirmed that they have complied with the required standards as set out in the Model Code in relation to their securities dealings (if any) during the six months ended 30 June 2025.

CHANGE IN INFORMATION OF DIRECTORS

There is no information regarding the Directors subject to disclosure pursuant to Rule 13.51B(1) of the Listing Rules since the publication of the 2024 annual report of the Company.

SHARE AWARD SCHEME

References are made to the prospectus of the Company dated 9 November 2020 (the "Prospectus") and the announcement of the Company dated 11 June 2021. Sunac Shine (PTC) Limited ("Sunac Shine") has adopted a share award scheme (the "Share Award Scheme") on 11 June 2021 and has been appointed as the trustee of the Sunac Services Share Award Scheme Trust for the purpose of the Share Award Scheme. The principal terms and conditions of the Share Award Scheme are summarized as follows:

(I) PURPOSE OF THE SHARE AWARD SCHEME

The purposes of the Share Award Scheme are to (i) recognize the contributions to the Group by certain Eligible Persons (as defined below) and to give incentives in order to motivate certain Eligible Persons for the continuing development of the Group; and (ii) to align the interest of certain Eligible Persons with those of the shareholders of the Company (the "Shareholders") by providing them with the opportunity to own equity interests of the Company.

(II) DURATION OF THE SHARE AWARD SCHEME

Subject to any termination of the Share Award Scheme as determined by Sunac Shine, the Share Award Scheme shall be valid and effective for ten years commencing on the date of the first grant of any award (each an "Award") of the ordinary shares of the Company (the "Shares") to a selected participant under the Share Award Scheme. The Share Award Scheme has a remaining validity of approximately 6 years.

(III) PARTICIPANTS OF THE SHARE AWARD SCHEME AND BASIS FOR DETERMINING THE ELIGIBILITY OF THE SELECTED PARTICIPANTS

Persons eligible to be awarded Shares under the Share Award Scheme include, without limitation, the key management of the Group such as directors, senior management and employees of the Group and other persons who made special contribution to the Group (each such person, an "Eligible Person").

The advisory committee (the "Advisory Committee") as appointed by Sunac Shine from time to time with the power and authority to administer and distribute Shares under the Share Award Scheme may, from time to time and at its sole discretion, select the Eligible Person(s) to be granted the Award(s) (the "Selected Participant(s)") and determine the number of Shares to be awarded (the "Awarded Shares"), the vesting conditions (if any) and the vesting schedule of the Awarded Shares. The Selected Participant may accept the offer of the grant of the Awarded Shares in such manner as set out in the offer letter to be issued by the Advisory Committee to such Selected Participant in respect of the Award.

(IV) MAXIMUM NUMBER OF SHARES THAT CAN BE AWARDED

The maximum number of Shares that may be granted as Awards under the Share Award Scheme to the Eligible Persons shall be the number of Shares held or to be held by Sunac Shine on trust for the purpose of the Share Award Scheme from time to time. As at 30 June 2025, Sunac Shine held 420,795,311 Shares on trust for the Share Award Scheme, representing approximately 13.77% of the issued Shares.

(V) GRANT AND ACCEPTANCE OF AWARDS

An offer letter setting out, among others, the number, vesting conditions (if any) and vesting schedule of the Awarded Shares to be granted will be issued by the Advisory Committee to each Selected Participant. The Selected Participant may accept the offer of the grant of the Awarded Shares in such manner as set out in the offer letter. Upon acceptance, the Selected Participant becomes a participant in the Share Award Scheme (the "Participant"). Pursuant to the Share Award Scheme, the Participant shall be entitled to receive the Awarded Shares held by Sunac Shine upon satisfaction of the vesting conditions set out in the offer letter. After satisfaction of the vesting conditions, Sunac Shine shall transfer the relevant Awarded Shares to the relevant Participant.

(VI) RIGHTS AND RESTRICTIONS

(i) Voting Rights

A Participant may not exercise the voting rights in respect of any Awarded Shares held on trust by Sunac Shine for the Participant before the vesting of such Awarded Shares to the Participant. For the period from the date of vesting of such Awarded Shares to the Participant until the date on which (a) such Participant has sold all of such Awarded Shares granted; or (b) such Participant no longer works in the Company or any subsidiary or related company of the Company (whichever is earlier) (both dates inclusive), such Participant shall irrevocably entrust Sunac Shine to exercise the voting rights of such Awarded Shares in which such Participant has interest.

Sunac Shine shall exercise its voting rights on the Shares which are held by it as trustee, including Shares which are not yet awarded to any Participants and Shares which are awarded but not yet vested and transferred to the relevant Participants in accordance with the terms of the Share Award Scheme according to any instructions or recommendations from Sunac China.

(ii) Entitlement to the Related Distribution

The Participant shall not be entitled to any dividends and other distributions declared and made in respect of any Shares held under the trust (the "Related Distribution") derived from the relevant Awarded Shares unless and until such Awarded Shares are vested to the Participant in accordance with the terms of the Share Award Scheme.

Any Related Distribution declared and made in respect of any Shares held by Sunac Shine on trust (including Shares which are not yet awarded to any Participants and Shares which are awarded but not yet vested to the relevant Participants in accordance with the terms of the Share Award Scheme) shall be treated and dealt with in such manner as the Advisory Committee may in its sole and absolute discretion determine.

(iii) Rights Attached to the Awarded Shares

Any Awarded Shares transferred to a Participant under the Share Award Scheme will be subject to the provisions of the articles of association of the Company and will rank pari passu with the fully paid Shares in issue on the date of the transfer or, if that date falls on a day on which the register of members of the Company is closed, the first day of the reopening of the register of members. Accordingly, the relevant Participant will be entitled to all dividends or other distributions declared or made on or after the date of the transfer or, if that date falls on a day when the register of members of the Company is closed, the first day of the reopening of the register of members.

(iv) No Assignment

The Awarded Shares granted pursuant to the Share Award Scheme are personal in nature. The Participants shall not sell, transfer, assign, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to the Awarded Shares, or any interest or benefits therein, before Sunac Shine transfers the relevant Awarded Shares to the Participants.

(v) Unvested Awarded Shares

An Award will lapse and will be canceled by the Advisory Committee if the Participant fails to satisfy the relevant vesting conditions. Any Award of which the Awarded Shares are not yet vested will also automatically lapse and be canceled by the Advisory Committee immediately where:

(a) in the absolute opinion of the Advisory Committee, the Participant is not qualified for his/her position, does not perform his/her work as required by the Sunac China Group, or commits any illegal act, or otherwise has done anything which, in the conclusive opinion of the Advisory Committee, adversely affects his/her ability to perform his/her duties properly;

(b) the Participant has resigned or is no longer an employee of the Sunac China Group due to the expiry of his/her employment contract;

(c) the Participant has been convicted for any criminal offence involving his/her integrity or honesty;

(d) the Participant commits serious misconduct and is punishable or subject to dismissal with immediate effect by the relevant member(s) of the Sunac China Group in accordance with the relevant employees' manual or the relevant laws and regulations; or

(e) the Advisory Committee exercises its reserved right to cancel any Award due to other reasons or other relevant provisions of the Share Award Scheme.

If any Awarded Shares are unvested prior to the Participant's death, incapacitation or retirement and none of the aforementioned events has occurred in relation to such Participant which would cause the Award to lapse or to be canceled, unless the Advisory Committee shall at its sole discretion determine otherwise, such unvested Awarded Shares will be deemed to be vested on the day immediately prior to his/her death, incapacitation, or retirement.

(vi) Restrictions

No Award shall be made to any Selected Participants where any Director or any member of the Advisory Committee is in possession of inside information (as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) in relation to the Company or the Directors are prohibited from dealing in Shares pursuant to the applicable requirements under the Listing Rules or applicable laws.

Particulars of the outstanding share awards under the Share Award Scheme and their movements during the six months ended 30 June 2025 were as follows:

Selected Participants	Awarded on 24 September 2021	Awarded on 8 June 2022	Awarded on 31 May 2023	Awarded on 29 May 2024	Number of unvested Shares as at 1 January 2025	Awarded during the Period	Vested during the Period	Lapsed during the Period	Number of unvested Shares as at 30 June 2025
Directors of the Company									
Wang Mengde	900,000	–	–	–	–	–	–	–	–
Cao Hongling	1,100,000	1,100,000	2,200,000	3,000,000	6,025,000	–	825,000	–	5,200,000
Yang Man	450,000	348,000	689,000	1,000,000	1,231,500	–	459,250	–	772,250
Lu Peng	100,000	–	–	–	–	–	–	–	–
Gao Xi	250,000	–	–	–	62,500	–	–	–	62,500
Sub-total	2,800,000	1,448,000	2,889,000	4,000,000	7,319,000	–	1,284,250	–	6,034,750
Other eligible participants	10,275,000	6,536,000	10,983,000	8,200,000	12,247,311	–	4,520,250	286,311	7,440,750
Total	**13,075,000**	**7,984,000**	**13,872,000**	**12,200,000**	**19,566,311**	**–**	**5,804,500**	**286,311**	**13,475,500**

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

As at 30 June 2025, the interests and short positions of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO, Chapter 571 of the Laws of Hong Kong) which were required to be entered in the register kept by the Company pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code contained in Appendix C3 to the Listing Rules, are set out below:

(I) INTERESTS IN SHARES OF THE COMPANY (LONG POSITION)

Name of Director	Nature of interest	Number of Shares held	Approximate percentage of interest in the Company (Note)
Mr. Wang Mengde	Beneficial owner	2,157,734	0.07%
Ms. Cao Hongling	Beneficial owner	3,055,563	0.10%
Ms. Yang Man	Beneficial owner	557,937	0.02%
Mr. Lu Peng	Beneficial owner	95,814	0.003%
Mr. Gao Xi	Beneficial owner	855,500	0.03%
Ms. Wang Lihong	Beneficial owner	197,886	0.006%

Note: Calculated on the basis of 3,056,844,000 Shares in issue as at 30 June 2025.

(II) INTERESTS IN UNDERLYING SHARES OF THE COMPANY (LONG POSITION)

Name of Director	Nature of interest	Number of unvested Shares awarded under the Share Award Scheme	Approximate percentage of interest in the Company (Note)
Ms. Cao Hongling	Beneficial owner	5,200,000	0.17%
Ms. Yang Man	Beneficial owner	772,250	0.03%
Mr. Gao Xi	Beneficial owner	62,500	0.002%

Note: Calculated on the basis of 3,056,844,000 Shares in issue as at 30 June 2025.

(III) INTERESTS IN SHARES OF THE COMPANY'S ASSOCIATED CORPORATIONS (LONG POSITION)

Name of Director	Name of associated corporation	Nature of interest	Number of ordinary shares held	Approximate percentage of interest (Note)
Mr. Wang Mengde	Sunac China	Beneficial owner	17,177,000	0.16%
Ms. Cao Hongling	Sunac China	Beneficial owner	2,693,500	0.03%
Ms. Yang Man	Sunac China	Beneficial owner	13,008	0.0001%
Mr. Lu Peng	Sunac China	Beneficial owner	241,199	0.002%
Mr. Gao Xi	Sunac China	Beneficial owner	228,000	0.002%
Ms. Wang Lihong	Sunac China	Beneficial Owner	113,556	0.001%

Note: Calculated on the basis of 10,715,374,600 Sunac China ordinary shares in issue as at 30 June 2025.

(IV) INTERESTS IN UNDERLYING SHARES OF THE COMPANY'S ASSOCIATED CORPORATIONS (LONG POSITION)

Name of Director	Name of associated corporation	Nature of interest	Number of unvested shares awarded under the Share Award Scheme	Approximate percentage of interest (Note)
Mr. Wang Mengde	Sunac China	Beneficial owner	1,860,000	0.02%
Ms. Cao Hongling	Sunac China	Beneficial owner	625,000	0.006%
Ms. Yang Man	Sunac China	Beneficial owner	38,500	0.0004%
Mr. Lu Peng	Sunac China	Beneficial owner	790,000	0.007%
Mr. Gao Xi	Sunac China	Beneficial owner	712,000	0.007%

Note: Calculated on the basis of 10,715,374,600 Sunac China ordinary shares in issue as at 30 June 2025.

(V) INTERESTS IN DEBENTURES OF THE COMPANY'S ASSOCIATED CORPORATION

Name of Director	Name of associated corporation	Nature of interest	Amount of debentures held (in USD)	Amount of debentures in the same class in issue (in USD)	Notes
Wang Lihong	Sunac China	Beneficial owner	333	244,402,264	(1)
	Sunac China	Beneficial owner	44,904	96,629,180	(2)
	Sunac China	Beneficial owner	45,217	522,246,155	(3), (4)
	Sunac China	Beneficial owner	45,327	523,514,504	(3), (5)
	Sunac China	Beneficial owner	90,872	1,049,577,317	(3), (6)
	Sunac China	Beneficial owner	136,639	1,578,182,549	(3), (7)
	Sunac China	Beneficial owner	136,970	1,581,993,797	(3), (8)
	Sunac China	Beneficial owner	64,498	744,954,199	(3), (9)

Notes:

(1) The class of debentures is freely transferable and convertible into shares of a corporation. This relates to certain 1.0%/2.0% convertible bonds due 2032 issued by Sunac China.

(2) The class of debentures is compulsorily convertible into shares of a corporation. This relates to certain compulsorily convertible bonds due 2028 issued by Sunac China.

(3) The class of debentures is freely transferable but not convertible into shares of a corporation.

(4) This relates to certain 5.0%/6.0% Senior Notes due 2025/2026 issued by Sunac China.

(5) This relates to certain 5.25%/6.25% Senior Notes due 2026/2027 issued by Sunac China.

(6) This relates to certain 5.50% Senior Notes due 2027 issued by Sunac China.

(7) This relates to certain 5.75% Senior Notes due 2028 issued by Sunac China.

(8) This relates to certain 6.0% Senior Notes due 2029 issued by Sunac China.

(9) This relates to certain 6.25% Senior Notes due 2030 issued by Sunac China.

Save as disclosed above, as at 30 June 2025, none of the Directors and chief executives of the Company had interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be entered in the register kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

CORPORATE GOVERNANCE AND OTHER INFORMATION

INTERESTS OF SUBSTANTIAL SHAREHOLDERS (LONG POSITION)

To the knowledge of the Company, as at 30 June 2025, the following persons (other than the Directors or chief executives of the Company) had an interest of 5% or more in the Shares or underlying Shares of the Company which were required to be entered in the register kept by the Company pursuant to section 336 of the SFO:

Name of Shareholder	Nature of interest/Capacity	Number of Shares held(1)	Approximate percentage of interest in the Company(2)
Sunac China(3)	Interest of controlled corporation	1,511,439,827 (L)	49.44%
Sunac Services Investment Limited(3)	Beneficial owner	1,090,644,516 (L)	35.68%
Sunac Shine(3)	Trustee	420,795,311 (L)	13.77%

Notes:

(1) The letter "L" denotes a long position in the Shares.

(2) Calculated on the basis of 3,056,844,000 Shares in issue as at 30 June 2025.

(3) Sunac Services Investment Limited is wholly-owned by Sunac China. Sunac Shine is wholly-owned by Sunac China and acts as the trustee of the Sunac Services Share Award Scheme Trust which is set up for the purpose of a share award scheme adopted on 11 June 2021. By virtue of the SFO, Sunac China is deemed to be interested in the Shares held by Sunac Services Investment Limited and Sunac Shine.

Save as disclosed in this report, the Directors are not aware of any person (other than the Directors or chief executives of the Company) who had interests or short positions in the Shares or underlying Shares which were required to be entered in the register kept by the Company pursuant to section 336 of the SFO.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

On 29 April 2025, Rising Far (BVI) Investment Limited ("Rising Far (BVI)"), a wholly-owned subsidiary of the Company, entered into an equity transaction agreement with Guangxi Laozhangjia Property Services Co., Ltd. ("Guangxi Laozhangjia") and others, pursuant to which, Rising Far (BVI) will transfer the 80% equity interest it indirectly holds in Guangxi Zhangtai Sunac Smart City Operation and Management Co., Ltd. to Guangxi Laozhangjia at a consideration of RMB826.62 million through relevant transaction arrangements (the "Transaction"), thereby achieving the Group's full exit from Zhangtai Service Group Company Limited and its subsidiaries ("Zhangtai Services Group"). As of 4 September 2025, Rising Far (BVI) has received the consideration for the Transaction in full, and the equity interest transfer registration has been completed. The Group no longer held any interest in Zhangtai Services Group. For details, please refer to the announcements of the Company dated 29 April 2025, 18 July 2025 and 4 September 2025, respectively.

As at 30 June 2025, the Group held financial assets (including current and non-current) at fair value through profit or loss of approximately RMB991 million, which mainly represented equity investments in an unlisted company and certain wealth management products with medium-low risks, and no single investment accounted for 5% or more of the Group's total assets.

Save as disclosed in this report, there were no other significant investments held, material acquisitions or disposals of subsidiaries, associates or joint ventures during the six months ended 30 June 2025.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As stated in the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated 9 November 2020, and the announcements of the Company dated 13 December 2020, 8 November 2021, 29 August 2022, 1 November 2024 and 25 August 2025, the Company intends to utilise the net proceeds raised from the listing of the Shares (the "Listing"), among other things, to pursue strategic investment and acquisition opportunities with companies engaged in property management and/or community operations.

Save as disclosed in this report, there were no other plans authorised by the Board for material investments or additions of capital assets as at 30 June 2025.

INTERIM DIVIDEND

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

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

As at 30 June 2025, there is no treasury shares held by the Company.

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the six months ended 30 June 2025.

SUBSEQUENT EVENTS

After the reporting period and as of the date of this report, there was no other significant event that had an effect on the Group.

EMPLOYEE AND REMUNERATION POLICY

As at 30 June 2025, the Group had 25,380 (as at 31 December 2024: 27,051) employees. For the six months ended 30 June 2025, the staff cost of the Group was approximately RMB1.40 billion (for the six months ended 30 June 2024: approximately RMB1.35 billion). The Group's employee remuneration policy is determined by reference to factors such as remuneration standard of the local market, the overall remuneration standard in the industry, inflation level, corporate operating efficiency and employee performance. The Board will review the remuneration policy from time to time. The Group conducts annual performance appraisals for its employees, the results of which are applied in annual salary and promotional assessment. Social insurance is paid by the Group for its employees in mainland China in accordance with the relevant PRC regulations.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Group regularly hosts comprehensive internal staff training programmes for its employees to improve and enhance their technical and service skills, as well as to provide them with the knowledge of industry quality standards and work place safety standards. Orientation trainings are provided to new hires, introducing them to the Group's corporate culture, coaching them on the Group's teamwork model, and teaching them service standards and procedures. The Group also assigns experienced managers to serve as mentors to newly-hired employees, who provide tailored coaching and guidance. Training courses and regular seminars on various aspects of its business operations, such as quality control and customer relationship management, are provided to the Group's employees. In addition, the Group has established occupational safety and sanitation systems, implemented the ISO45001:2018 Occupational Health and Safety Management System, and provided employees with workplace safety trainings on a regular basis to increase their awareness of work safety issues.

CONSTITUTIONAL DOCUMENTS

The latest version of the second amended and restated memorandum of association and the third amended and restated articles of association of the Company is available for inspection at the website of the Company (www.sunacservice.com) and the website of the Stock Exchange (www.hkexnews.hk).

There was no change to the constitutional documents of the Company during the six months ended 30 June 2025.

USE OF PROCEEDS FROM THE LISTING

The Shares of the Company were listed on the Main Board of the Stock Exchange on 19 November 2020 (the "Listing Date") by way of global offering, 690,000,000 Shares were issued, and a total of 793,500,000 Shares were issued after the over-allotment options were fully exercised, raising net proceeds (after deducting underwriting commissions and other related listing expenses) of approximately HK$9,042 million in total.

As disclosed in the announcements of the Company dated 8 November 2021, 29 August 2022, 1 November 2024 and 25 August 2025, the Board resolved to change the use of the unutilised net proceeds from the Listing. On 8 November 2021, the Board resolved to change the intended use of the net proceeds from the Listing to allocate more net proceeds to acquisition opportunities with companies engaged in property management and related services and community operations. On 29 August 2022, the Board resolved to change the intended use of the unutilised net proceeds from the Listing to allocate part of the net proceeds to uses such as technology, community living services business and working capital in view of the change in the current property management industry and the limited availability of high-quality acquisition and merger targets with appropriate valuations, and to improve the utilisation efficiency of capital and enhance the endogenous development ability of the Group. On 1 November 2024, the Board has resolved that, to the extent that the net proceeds from the Listing are not immediately applied to the disclosed purposes, provided that the expected demand for the use of funds is ensured, the Group may deposit the net proceeds from the Listing as demand deposits or fixed-term deposits in licensed banks or financial institutions or purchase wealth management products with high security and good liquidity and a period not exceeding twelve months, so as to improve the utilisation efficiency of the Group's funds and its return. On 25 August 2025, given the current overall economic landscape, the circumstances within the property management sector, coupled with the Company's development strategy and the limited availability of high-quality investment and M&A targets with appropriate valuations, the Board resolved to change the intended use and allocation of the unutilised net proceeds from the Listing to moderately reduce the proceeds intended to be used for investment and M&A and allocate the reduced proceeds to the community living services business, working capital and general corporate purposes, and change the expected timetable of full utilisation of the balance. Further details of the breakdown and description of the net proceeds are set out in the announcements of the Company dated 8 November 2021, 29 August 2022, 1 November 2024 and 25 August 2025.

As of 30 June 2025, the net proceeds from the Listing which were utilised according to the plan of the Company previously disclosed were set out below:

Use of net proceeds	Revised allocation of the net proceeds as set out in the announcement dated 29 August 2022 (HK$ million)	(Approximate percentage)	Unutilised net proceeds as at 31 December 2024 (HK$ million)	Actual amount of net proceeds utilised during the Period (HK$ million)	Unutilised net proceeds as at 30 June 2025 (HK$ million)	Revised allocation of the unutilised net proceeds as set out in the announcement dated 25 August 2025 (HK$ million)	Expected timetable of full utilisation of the balance (Note)
(a) Strategic investment and acquisition opportunities with companies engaged in property management and/or community operations	5,404	60%	1,838	0	1,838	638	On or before 31 December 2028
(b) Upgrading the Group's systems for smart management services and for the development of the smart communities	768	9%	327	14	313	313	On or before 31 December 2028
(c) Further developing the community value-added services of the Group	1,480	16%	87	87	0	360	On or before 31 December 2028
(d) Working capital and general corporate purposes	1,390	15%	0	0	0	840	On or before 31 December 2028
Total	**9,042**	**100%**	**2,252**	**101**	**2,151**	**2,151**	

Note: The expected timetable of full utilisation of the balance is set based on the best estimation of the Company taking into account, among other factors, prevailing and future market conditions and business developments and needs, and therefore is subject to change.

CORPORATE GOVERNANCE AND OTHER INFORMATION

AUDIT COMMITTEE AND REVIEW OF THE INTERIM RESULTS

The Company has established an audit committee (the "Audit Committee") with written terms of reference in compliance with the Listing Rules and the code provisions of the Corporate Governance Code. The Audit Committee currently consists of three independent non-executive Directors, namely, Mr. Yao Ning, Ms. Wang Lihong and Mr. Zhao Zhonghua, and is chaired by Mr. Yao Ning who possesses the qualification of professional accountant. The primary duties of the Audit Committee are to assist the Board to fulfill the functions of reviewing and monitoring the financial reporting procedure, internal control and risk management systems of the Company, to review the corporate governance policies and implementation of the Group and to perform other duties and responsibilities as assigned by the Board.

The Audit Committee has reviewed the accounting principles and practices adopted by the Company and discussed matters concerning the audit, internal control and risk management systems and financial reporting, including reviewing the Group's unaudited interim results for the six months ended 30 June 2025.

The Group's unaudited interim results for the six months ended 30 June 2025 have been reviewed by the Company's independent auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

Sunac Services Holdings Limited
Wang Mengde
Chairman of the Board

Hong Kong, 25 August 2025

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

羅兵咸永道

To the Board of Directors of Sunac Services Holdings Limited
(incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 28 to 64, which comprises the interim condensed consolidated statement of financial position of Sunac Services Holdings Limited (the "Company") and its subsidiaries (together, the "Group") as at 30 June 2025 and the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" as issued by the Hong Kong Institute of Certified Public Accountants ("the HKICPA"). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" as issued by the HKICPA. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" as issued by the HKICPA.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 25 August 2025

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Note	Six months ended 30 June 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue	7	**3,546,605**	3,483,728
Cost of sales	8	**(2,775,067)**	(2,595,304)
Gross profit		**771,538**	888,424
Administrative expenses	8	**(257,267)**	(294,473)
Selling and marketing expenses	8	**(21,838)**	(25,936)
Impairment of intangible assets		**–**	(294)
Net impairment losses on financial assets	8	**(345,951)**	(1,136,572)
Other income	9	**20,753**	14,028
Other gains/(losses) – net	10	**16,524**	(111,329)
Operating profit/(loss)		**183,759**	(666,152)
Finance income		**14,098**	26,742
Finance costs		**(2,841)**	(3,225)
Finance income – net	11	**11,257**	23,517
Share of post-tax loss of associates and joint ventures accounted for using the equity method, net	18	**(6,054)**	(2,846)
Profit/(loss) before income tax		**188,962**	(645,481)
Income tax (expense)/credits	12	**(47,456)**	185,129
Profit/(loss) for the period		**141,506**	(460,352)
Other comprehensive income for the period		**–**	–
Total comprehensive income/(loss) for the period		**141,506**	(460,352)
Total comprehensive income/(loss) for the period attributable to:			
– Owners of the Company		**121,866**	(472,234)
– Non-controlling interests		**19,640**	11,882
		141,506	(460,352)
Earnings/(loss) per share (expressed in RMB per share) (unaudited)			
– Basic earnings/(loss) per share	13	**0.04**	(0.15)
– Diluted earnings/(loss) per share	13	**0.04**	(0.15)

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Note	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	14	**105,885**	99,704
Right-of-use assets	15	**56,313**	69,217
Investment properties	16	**48,347**	50,097
Intangible assets	17	**1,410,964**	1,448,495
Deferred tax assets	27	**1,036,045**	963,350
Investments accounted for using the equity method	18	**25,402**	33,464
Financial assets at fair value through profit or loss ("FVPL")	23	**189,729**	189,793
Other receivables	19	**51,126**	149,526
Prepayments	20	**1,209**	1,233
		2,925,020	3,004,879
Current assets			
Inventories		**40,642**	45,573
Trade and other receivables	19	**3,899,533**	3,440,652
Prepayments	20	**20,654**	27,016
Cash and cash equivalents	21	**2,048,467**	4,027,790
Restricted cash	22	**166,593**	24,563
Bank deposits with the maturity over three months	21	**28,000**	15,000
Financial assets at FVPL	23	**801,415**	1,428
Other current assets		**2,114**	3,444
		7,007,418	7,585,466
Total assets		**9,932,438**	10,590,345
EQUITY AND LIABILITIES			
Equity attributable to the owners of the Company			
Share capital	24	**25,645**	25,645
Reserves	25	**5,082,881**	5,290,650
Accumulated losses		**(32,882)**	(151,163)
		5,075,644	5,165,132
Non-controlling interests		**160,182**	154,244
Total equity		**5,235,826**	5,319,376

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Note	**30 June 2025 RMB'000 (Unaudited)**	31 December 2024 RMB'000 (Audited)
LIABILITIES			
Non-current liabilities			
Lease liabilities	15	**88,533**	98,695
Deferred tax liabilities	27	**34,962**	41,064
		123,495	139,759
Current liabilities			
Lease liabilities	15	**17,052**	22,105
Trade and other payables	26	**2,565,206**	2,841,468
Contract liabilities	7	**1,632,872**	1,940,878
Current income tax liabilities		**357,987**	326,759
		4,573,117	5,131,210
Total liabilities		**4,696,612**	5,270,969
Total equity and liabilities		**9,932,438**	10,590,345

The above interim condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

The condensed consolidated interim financial information on pages 28 to 64 was approved by the Board of Directors on 25 August 2025 and was signed on its behalf.

Cao Hongling
Director

Yang Man
Director

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Note	Share capital RMB'000	Reserves RMB'000	(Accumulated losses)/retained earnings RMB'000	Subtotal RMB'000	Non-controlling interests RMB'000	Total Equity RMB'000
		Unaudited					
		Attributable to the owners of the Company					
Balance at 1 January 2025		**25,645**	**5,290,650**	**(151,163)**	**5,165,132**	**154,244**	**5,319,376**
Total comprehensive income for the period ended 30 June 2025		**–**	**–**	**121,866**	**121,866**	**19,640**	**141,506**
Transactions with owners, recognised directly in equity							
Dividends paid to the shareholders of the Company		–	(438,069)	–	(438,069)	–	(438,069)
Changes in non-controlling shareholders' put option	25	–	218,296	–	218,296	–	218,296
Share award scheme-value of employee services		–	8,419	–	8,419	–	8,419
Appropriation of statutory reserves		–	3,585	(3,585)	–	–	–
Dividends paid to non-controlling interests		–	–	–	–	(13,702)	(13,702)
Balance at 30 June 2025		**25,645**	**5,082,881**	**(32,882)**	**5,075,644**	**160,182**	**5,235,826**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Unaudited					
	Attributable to the owners of the Company					
	Share capital RMB'000	Reserves RMB'000	(Accumulated losses)/retained earnings RMB'000	Subtotal RMB'000	Non-controlling interests RMB'000	Total Equity RMB'000
Balance at 1 January 2024	25,645	5,707,086	302,293	6,035,024	202,482	6,237,506
Total comprehensive (loss)/income for the period ended 30 June 2024	–	–	(472,234)	(472,234)	11,882	(460,352)
Transactions with owners, recognised directly in equity						
Dividends paid to the shareholders of the Company	–	(448,206)	–	(448,206)	–	(448,206)
Changes in non-controlling shareholders' put option	–	26,394	–	26,394	–	26,394
Share award scheme-value of employee services	–	5,203	–	5,203	–	5,203
Disposal of a subsidiary	–	–	–	–	(298)	(298)
Dividends paid to non-controlling interests	–	–	–	–	(65,345)	(65,345)
Balance at 30 June 2024	25,645	5,290,477	(169,941)	5,146,181	148,721	5,294,902

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Note	Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Cash flows from operating activities			
Cash used in operations		**(596,106)**	(344,490)
Income tax paid		**(95,025)**	(147,622)
Net cash used in operating activities		**(691,131)**	(492,112)
Cash flows from investing activities			
Proceeds from settlement of financial assets at FVPL		**3,070,837**	1,326,313
Payments for bank deposits with the maturity over three months		**(28,000)**	(15,000)
Proceeds from settlement of bank deposits with the maturity over three months		**15,000**	118,904
Proceeds from disposal of property, plant and equipment ("PPE")		**1,455**	1,192
Payments for financial assets at FVPL		**(3,854,100)**	(2,193,400)
Payments for purchases of PPE and intangible assets		**(31,477)**	(24,689)
Interest received		**3,046**	5,236
Principal elements of lease receivables		**1,566**	531
Dividend received from joint ventures		**2,008**	361
Net cash used in investing activities		**(819,665)**	(780,552)
Cash flows from financing activities			
Payments for disposal of subsidiaries		**–**	(298)
Dividends paid to Company's shareholders		**(438,069)**	(448,206)
Dividends paid to non-controlling interests		**(13,702)**	(65,345)
Interest paid		**(2,841)**	(3,225)
Principal elements of lease payments		**(11,169)**	(11,234)
Net cash used in financing activities		**(465,781)**	(528,308)
Net decrease in cash and cash equivalents		**(1,976,557)**	(1,800,972)
Cash and cash equivalents at beginning of the period		**4,027,790**	3,979,504
Effects of exchange rate changes on cash and cash equivalents		**(2,746)**	1,995
Cash and cash equivalents at end of the period	21	**2,048,467**	2,180,527

The above interim condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2025

1 General information

Sunac Services Holdings Limited ("the Company") was incorporated in the Cayman Islands on 10 January 2019 as an exempted company with limited liability under the Companies Act (Cap. 22, Act 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is One Nexus Way, Camana Bay, Grand Cayman KY1-9005, Cayman Islands.

The Company is an investment company. The Company and its subsidiaries (the "Group") are principally engaged in the provision of property management and operational services, community living services and value-added services to non-property owners in the People's Republic of China (the "PRC").

The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The ultimate holding company of the Company is Sunac China Holdings Limited (the "Sunac China"), an exempted company incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of the Stock Exchange.

This condensed consolidated interim financial information is presented in Renminbi ("RMB"), unless otherwise stated.

2 Basis of presentation

This condensed consolidated interim financial report for the half-year reporting period ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standards ("HKAS") 34 *Interim Financial Reporting*. The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2024 and any public announcement made by the Company during the interim reporting period.

3 Accounting policy information

The accounting policies adopted by the Group are consistent with those of the previous financial year and corresponding interim reporting period, except for the estimation of income tax and the adoption of new and amended standards as set out below.

(A) NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

The Group has applied the following amendment for the first time for their annual reporting period commencing on 1 January 2025:

Amendments to HKAS 21 – Lack of Exchangeability

The amendment listed above did not have any significant impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(B) NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED BY THE GROUP

Certain new or amended accounting standards and annual improvements have been published but are not mandatory for 2025 interim reporting period and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

	Effective for the financial year beginning on or after
Amendments to the Classification and Measurement of Financial Instruments – Amendments to HKFRS 9 and HKFRS 7	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18, 'Presentation and Disclosure in Financial Statements' and HK Interpretation 5 – Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
HKFRS 19, 'Subsidiaries without Public Accountability: Disclosures'	1 January 2027

4 Estimates

The preparation of the interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements and estimations made by management were the same as those that applied to the consolidated financial statements for the year ended 31 December 2024.

5 Financial risk management

5.1 FINANCIAL RISK FACTORS

The Group's activities expose it to a variety of financial risks: foreign exchange risk, credit risk and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2024.

There have been no significant changes in the risk or in any risk management policies since 31 December 2024.

5.2 CREDIT RISK

Impairment of financial assets

Trade receivables

For trade receivables from third parties, those do not share same risk characteristics with others, management assesses their expected credit losses ("ECL") on an individual basis. For those that share same risk characteristics with others, the ECL was estimated using a provision matrix based on the history ageing profile of these receivables over a period of 5 years before 30 June 2025 or 1 January 2025 respectively and the corresponding historical credit losses experience within this period.

For trade receivables from related parties, the calculation of ECL was based on the credit risk characteristics of counter party referring to the market public information of its defaulted public-traded bonds or the credit rating of comparable companies and relative probability of default, and an assessment of forward-looking information, including general economic conditions.

The historical loss rates were adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the trade receivables.

5 Financial risk management (Continued)

5.2 CREDIT RISK (CONTINUED)

Impairment of financial assets (Continued)

Trade receivables (Continued)

On that basis, the loss allowance as at 30 June 2025 and 31 December 2024 was determined as follows for trade receivables:

Individual basis

	Gross carrying amount RMB'000	Expected loss rate	Loss allowance RMB'000	Net carrying amount RMB'000
Third parties				
At 30 June 2025				
Receivables from individual property owners	**626,051**	**100%**	**626,051**	**–**
Receivables from individual non-property owners	**200,076**	**54%**	**108,409**	**91,667**
At 31 December 2024				
Receivables from individual non-property owners	158,414	54%	86,048	72,366

Provision matrix

	Ageing analysis						
	Within 1 year RMB'000	1–2 years RMB'000	2–3 years RMB'000	3–4 years RMB'000	4–5 years RMB'000	Over 5 years RMB'000	Total RMB'000
Third parties							
At 30 June 2025							
Expected loss rate	**3%**	**16%**	**29%**	**57%**	**78%**	**100%**	**10%**
Gross carrying amount	**2,094,229**	**633,472**	**219,573**	**95,312**	**20,943**	**19,553**	**3,083,082**
Loss allowance	**64,311**	**102,192**	**64,406**	**54,135**	**16,308**	**19,499**	**320,851**
At 31 December 2024							
Expected loss rate	10%	30%	45%	60%	71%	91%	23%
Gross carrying amount	1,824,452	644,749	314,280	157,733	46,947	55,304	3,043,465
Loss allowance	175,263	196,028	141,838	94,366	33,559	50,203	691,257

5 Financial risk management (Continued)

5.2 CREDIT RISK (CONTINUED)

Impairment of financial assets (Continued)

Trade receivables (Continued)

	Total
	RMB'000
Related parties	
At 30 June 2025	
Guaranteed	
Expected loss rate	**–**
Gross carrying amount	**387,719**
Loss allowance	**–**
Not Guaranteed	
Expected loss rate	**95%**
Gross carrying amount	**2,879,011**
Loss allowance	**2,730,658**
Gross carrying amount total	**3,266,730**
Loss allowance total	**2,730,658**
At 31 December 2024	
Guaranteed	
Expected loss rate	–
Gross carrying amount	410,170
Loss allowance	–
Not Guaranteed	
Expected loss rate	94%
Gross carrying amount	2,876,119
Loss allowance	2,694,958
Gross carrying amount total	3,286,289
Loss allowance total	2,694,958

Accounts receivables from related parties are guaranteed by certain assets held by the fellow subsidiaries under Sunac China and associates and joint ventures of Sunac China (the "Sunac China Group").

5 Financial risk management (Continued)

5.2 CREDIT RISK (CONTINUED)

Impairment of financial assets (Continued)

Other receivables (excluding amounts due from related parties)

Other receivables (excluding amounts due from related parties) mainly included payments on behalf of property owners, lease receivables, deposits and others. Management considered these receivables to be low credit risk, when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. In calculating the ECL rates, the Group considers historical loss rates for other receivables, and adjusts for forward-looking macroeconomic data. On that basis, the loss allowance for other receivables (excluding amounts due from related parties) was limited to 12 months expected losses, which was RMB7.71 million as at 30 June 2025 (31 December 2024: RMB18.84 million).

Amounts due from related parties

The Group entered into agency services agreements about sales of car park spaces with the Sunac China Group (the "Car Park Agency Agreements").

Amounts due from related parties mainly included deposits paid for Car Park Agency Agreements and others. As at 30 June 2025, the Group has assessed that the expected loss rate for amounts due from fellow subsidiaries and related companies were still at stage 3 given that the reasonable and supportive current and forwarding-looking information which indicate the financial assets was credit-impaired in credit risk.

The loss allowance as at 30 June 2025 and 31 December 2024 was determined as follows for amounts due from related parties:

	Stage 1 RMB'000	**Stage 2** RMB'000	**Stage 3** RMB'000	**Total** RMB'000
Other receivables				
At 30 June 2025				
Expected loss rate	**–**	**–**	**64%**	**64%**
Gross carrying amount	**–**	**–**	**781,263**	**781,263**
Loss allowance	**–**	**–**	**499,835**	**499,835**
At 31 December 2024				
Expected loss rate	–	–	59%	59%
Gross carrying amount	–	–	783,155	783,155
Loss allowance	–	–	463,719	463,719

5 Financial risk management (Continued)

5.2 CREDIT RISK (CONTINUED)

Impairment of financial assets (Continued)

The loss allowances for trade and other receivables as at 30 June reconcile to the opening loss allowances as follows:

	Six months ended 30 June 2025		
	Third parties RMB'000	Related parties RMB'000	Total RMB'000
Opening loss allowance at 1 January	**796,147**	**3,158,677**	**3,954,824**
Increase in loss allowance for trade receivables recognised in profit or loss during the period	**278,006**	**43,972**	**321,978**
Increase in loss allowance for other receivables recognised in profit or loss during the period	**(11,133)**	**36,116**	**24,983**
Receivables written off during the period through settlement of partial receivables	**–**	**(8,272)**	**(8,272)**
Closing loss allowance at 30 June	**1,063,020**	**3,230,493**	**4,293,513**

	Six months ended 30 June 2024		
	Third parties RMB'000	Related parties RMB'000	Total RMB'000
Opening loss allowance at 1 January	467,512	2,149,215	2,616,727
Increase in loss allowance for trade receivables recognised in profit or loss during the period	182,900	730,414	913,314
Increase in loss allowance for other receivables recognised in profit or loss during the period	168	223,090	223,258
Receivables written off during the period through settlement of partial receivables	–	(44,766)	(44,766)
Closing loss allowance at 30 June	650,580	3,057,953	3,708,533

Trade and other receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Impairment losses on trade and other receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

5 Financial risk management (Continued)

5.2 CREDIT RISK (CONTINUED)

Impairment of financial assets (Continued)

During the period, the following impairment losses or reversal were recognised in profit or loss in relation to impaired financial assets:

	Six months ended 30 June 2025		
	Third parties RMB'000	**Related parties RMB'000**	**Total RMB'000**
Impairment losses			
Movement in loss allowance for trade receivables	**278,006**	**43,972**	**321,978**
Movement in loss allowance for other receivables	**(11,133)**	**36,116**	**24,983**
Reversal of previous written off	**(1,010)**	**–**	**(1,010)**
Net impairment losses on financial assets	**265,863**	**80,088**	**345,951**

	Six months ended 30 June 2024		
	Third parties RMB'000	Related parties RMB'000	Total RMB'000
Impairment losses			
Movement in loss allowance for trade receivables	182,900	730,414	913,314
Movement in loss allowance for other receivables	168	223,090	223,258
Net impairment losses on financial assets	183,068	953,504	1,136,572

5 Financial risk management (Continued)

5.3 FAIR VALUE ESTIMATION

(a) Financial assets

This note provides an update on the judgements and estimates made by the Group in determining the fair values of the financial instruments since the last annual financial report.

(i) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The following table presents the Group's financial assets and financial liabilities measured and recognised at fair value at 30 June 2025 and 31 December 2024 on a recurring basis:

Recurring fair value measurements At 30 June 2025	Note	**Level 1 RMB'000**	**Level 2 RMB'000**	**Level 3 RMB'000**	**Total RMB'000**
Financial assets					
Financial assets at FVPL	23	–	–	**991,144**	**991,144**

Recurring fair value measurements At 31 December 2024	Note	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets					
Financial assets at FVPL	23	–	–	191,221	191,221

During the six months ended 30 June 2025, there were no transfers between different levels for recurring fair value measurements during the period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price already incorporates the market's assumptions with respect to changes in economic climate such as rising interest rates and inflation, as well as changes due to ESG risk.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value of an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and wealth management products.

The Group did not change any valuation techniques in determining the level 3 fair values.

5 Financial risk management (Continued)

5.3 FAIR VALUE ESTIMATION (CONTINUED)

(a) Financial assets (Continued)

(ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- market approach, equity allocation model and option pricing method with observable and unobservable inputs, including risk-free rate, expected volatility and etc.

As at 30 June 2025 and 31 December 2024, the Group's level 3 instruments included interest in an unlisted company and wealth management products.

(iii) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the period ended 30 June 2025.

	Financial assets at FVPL		
	Wealth management products RMB'000	Interest in an unlisted company RMB'000	Total RMB'000
Opening balance at 1 January 2025	1,428	189,793	191,221
Addition	3,854,100	–	3,854,100
Disposal	(3,070,837)	–	(3,070,837)
Gains/(losses) recognised in other losses – net*	16,724	(64)	16,660
Closing balance at 30 June 2025	801,415	189,729	991,144
*includes unrealised gains/(losses) recognised in profit or loss attributable to balances held at the end of the reporting period	3,579	(64)	3,515

5 Financial risk management (Continued)

5.3 FAIR VALUE ESTIMATION (CONTINUED)

(a) Financial assets (Continued)

(iv) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements (see (ii) above for the valuation techniques adopted):

Description	Fair value at 30 June 2025 RMB'000	Fair value at 31 December 2024 RMB'000	Valuation method	Significant unobservable inputs	Range of significant unobservable inputs 2025	Range of significant unobservable inputs 2024
Interest in an unlisted company	**189,729**	189,793	Market approach, equity allocation model and option pricing method	Expected volatility rate	**45.55%**	56.28%
Wealth management products	**801,415**	1,428	Net assets value	na	**na**	na

Relationships of unobservable inputs to fair value are as follows:

- The higher rate of expected volatility, the lower fair value.

(v) Valuation processes

The management performs the valuation of financial instruments for financial reporting purposes. Unobservable inputs including expected volatility rate are assessed by the independent valuers based on current market assessments of the time value of money and the risk specific to the asset being valued.

(vi) Fair values of other financial instruments (unrecognised)

The Group also has a number of financial instruments which are not measured at fair value in the balance sheet. For the majority of these instruments, the fair values are not materially different to their carrying amounts, since the interest receivable/payable is either close to current market rates or the instruments are short-term in nature.

5 Financial risk management (Continued)

5.3 FAIR VALUE ESTIMATION (CONTINUED)

(b) Non-financial assets

This note provides an update on the judgements and estimates made by the Group in determining the fair values of the financial instruments since the last annual financial report.

(i) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its non-financial instruments into the three levels prescribed under the applicable accounting standards. An explanation of each level follows underneath the table.

At 30 June 2025	Note	**Level 1 RMB'000**	**Level 2 RMB'000**	**Level 3 RMB'000**	**Total RMB'000**
Investment properties	16	**–**	**–**	**48,347**	**48,347**

At 31 December 2024	Note	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Investment properties	16	–	–	50,097	50,097

During the period ended 30 June 2025, there were no reclassifications of non-financial assets between different levels for recurring fair value measurements.

(ii) Valuation techniques used to determine level 3 fair values

At the end of each reporting period, the management of the Group update their assessment of the fair value of the investment properties, taking into account the most recent independent valuations. The management determine a property's value within a range of reasonable fair value estimates.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the management determine the fair value based on below valuation techniques:

Term & Reversion Method – rental income derived from the reversionary potential with unobservable inputs mainly including reversionary yield and market rental prices as the previous tenancies have already expired and the renewal arrangements are still under negotiation and will ultimately be determined according to market prices.

5 Financial risk management (Continued)

5.3 FAIR VALUE ESTIMATION (CONTINUED)

(b) Non-financial assets (Continued)

(iii) Fair value measurements using significant unobservable inputs (level 3)

See note 16 for further information about the changes in level 3 items for the period ended 30 June 2025.

(iv) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements (see (ii) above for the valuation techniques adopted):

Description	Fair value at 30 June 2025 RMB'000	Fair value at 31 December 2024 RMB'000	Valuation method	Significant unobservable inputs	Range of significant unobservable inputs 2025	Range of significant unobservable inputs 2024
Commercial and residential properties	**22,129**	26,468	Term & reversion method	Reversionary yield; Market rental prices	**Reversionary yield: 7.25% RMB65.89 per unit per month**	Reversionary yield: 7.0% RMB71.40 per unit per month

Relationships of unobservable inputs to fair value are as follows:

- The higher market rental price, the higher fair value;
- The higher rate of reversionary yield, the lower fair value.

(v) Valuation processes

As at 30 June 2025, management performs valuations for its investment properties including commercial and residential properties.

The main level 3 inputs used by the Group are derived and evaluated as follows:

Commercial and residential properties – market rental prices and reversionary yield are estimated by management based on comparable transactions and industry data.

6 Segment information

Management has determined the operating segments based on the reports reviewed by the Chief Operating Decision Makers ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors of the Company.

During the six months ended 30 June 2025, the Group is principally engaged in the provision of property management and operational services, community living services and value-added services to non-property owners in the PRC. Management reviews the operating results of the business by region in the PRC, but these operating segments are aggregated into a single operating segment as the nature of services, the type of customers for services, the methods used to provide their services and the nature of regulatory environment are the same in different regions.

The principal operating entities of the Group are domiciled in the PRC. Accordingly, all of the Group's revenue was derived in the PRC during the six months ended 30 June 2025.

As at 30 June 2025 and 31 December 2024, nearly 100% of the non-current assets of the Group were located in the PRC.

7 Revenue of services

Revenue mainly comprises of proceeds from property management and operational services, community living services and value-added services to non-property owners. An analysis of the Group's revenue by category for the six months ended 30 June 2025 and 2024 was as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Recognised over time		
– Property management and operational services	**3,292,305**	3,172,442
– Community living services	**106,103**	95,569
– Value-added services to non-property owners	**40,870**	89,781
	3,439,278	3,357,792
Recognised at a point in time		
– Community living services	**104,629**	116,463
– Value-added services to non-property owners	**2,698**	9,473
	107,327	125,936
	3,546,605	3,483,728

The Group had a large number of customers and none of whom contributed 10% or more of the Group's revenue for the six months ended 30 June 2025 (for the six months ended 30 June 2024: None).

7 Revenue of services (Continued)

(A) CONTRACT LIABILITIES

The Group has recognised the following revenue-related contract liabilities:

	30 June 2025 RMB'000	31 December 2024 RMB'000
Contract liabilities		
– Third parties	**1,630,956**	1,935,867
– Related parties	**1,916**	5,011
	1,632,872	1,940,878

8 Expenses by nature

Expenses included in cost of sales, administrative expenses, selling and marketing expenses and net impairment losses on financial assets are analysed as follows:

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Employee benefit expenses	**1,399,477**	1,347,157
Security, maintenance, cleaning and greening costs	**1,202,963**	1,108,199
Net impairment losses on financial assets	**345,951**	1,136,572
Utilities	**175,973**	135,705
Depreciation and amortisation	**70,724**	79,037
Consumable materials cost	**61,891**	64,017
Cost of goods sold	**26,752**	24,183
Travelling and entertainment expenses	**25,667**	39,274
Office and communication expenses	**13,948**	22,190
Others	**76,777**	95,951
	3,400,123	4,052,285

9 Other income

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Government grants (a)	**20,461**	10,663
Interest income	**292**	3,365
	20,753	14,028

(a) Government grants mainly represented financial support funds from government. There are no unfulfilled conditions or other contingencies attached to these grants.

DEFERRAL AND PRESENTATION OF GOVERNMENT GRANTS

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

10 Other gains/(losses) – net

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Fair value gains/(losses) from financial assets at FVPL	**16,660**	(101,298)
Fair value loss on investment properties	**(5,389)**	(5,861)
Losses on disposal of right-of-use assets in the sublease	**(183)**	(692)
(Losses)/gains on termination of a sublease contract	**(593)**	731
Exchange (losses)/gains	**(2,746)**	1,995
Others	**8,775**	(6,204)
	16,524	(111,329)

11 Finance income – net

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Finance cost		
Interest expenses for lease liabilities	**(2,841)**	(3,225)
Finance income		
Interest income on bank deposits	**12,710**	25,216
Interest income for lease receivables	**1,388**	1,526
	14,098	26,742
	11,257	23,517

12 Income tax expense/(credits)

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Current income tax	**126,253**	113,525
Deferred income tax	**(78,797)**	(298,654)
	47,456	(185,129)

(I) CAYMAN ISLAND INCOME TAX

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

(II) HONG KONG PROFIT TAX AND BVI INCOME TAX

No provision for Hong Kong profits tax was made as the Group did not derive any income subject to Hong Kong profits tax during the period ended 30 June 2025.

Pursuant to the applicable rules and regulations of the British Virgin Islands ("BVI"), the BVI subsidiaries of the Group are not subject to any income tax in those jurisdictions.

12 Income tax expense/(credits) (Continued)

(III) PRC CORPORATE INCOME TAX

Income tax provision of the Group in respect of operations in Mainland China has been calculated at the applicable tax rate on the estimated assessable profits for the years/periods, based on the existing legislation, interpretations and practices in respect thereof. The statutory tax rate was 25% for the half-years of 2025 and 2024.

According to relevant PRC tax laws and regulations, certain subsidiaries of the Group which are registering and operating in western region of Mainland China are entitled for a preferential corporate income tax rate of 15% for the six months ended 30 June 2025.

In accordance with the PRC Corporate Income Tax Law, a 10% withholding income tax is levied on dividends declared to foreign investors from the enterprises with foreign investments established in the PRC. The Group is therefore liable to withholding taxes on dividends estimated distributable by those subsidiaries established in the PRC in respect of their earnings generated from 1 January 2008.

13 Earnings/(loss) per share

The basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the six months ended 30 June 2025 and 2024.

The Company did not have any potential ordinary shares outstanding to be issued during the six months ended 30 June 2025 and 2024. Diluted earnings/(loss) per share is equal to basic earnings/(loss) per share.

	Six months ended 30 June	
	2025	2024
Profit/(loss) attributable to the owners of the Company (RMB'000)	**121,866**	(472,234)
Weighted average number of ordinary shares in issue	**3,056,844,000**	3,056,844,000
Basic earnings/(loss) per share for profit/(loss) attributable to the owners of the Company during the period (expressed in RMB per share)	**0.04**	(0.15)

14 Property, plant and equipment

	Machinery and electronic equipment RMB'000	Vehicles RMB'000	Furniture and office equipment RMB'000	Leasehold improvements RMB'000	Buildings RMB'000	Assets under construction RMB'000	Total RMB'000
As at 31 December 2024							
Cost	177,498	15,560	20,978	21,509	376	7,193	243,114
Accumulated depreciation	(105,640)	(8,473)	(9,652)	(19,447)	(198)	–	(143,410)
Net book amount	71,858	7,087	11,326	2,062	178	7,193	99,704
Half-year ended 30 June 2025							
Opening net book amount	**71,858**	**7,087**	**11,326**	**2,062**	**178**	**7,193**	**99,704**
Additions	**14,197**	**1,274**	**1,029**	**5,906**	**–**	**2,175**	**24,581**
Transfer from assets under construction	**4,955**	**–**	**–**	**–**	**–**	**(4,955)**	**–**
Disposals	**(815)**	**(524)**	**(116)**	**–**	**–**	**–**	**(1,455)**
Depreciation charges	**(13,370)**	**(1,467)**	**(1,650)**	**(425)**	**(33)**	**–**	**(16,945)**
Closing net book amount	**76,825**	**6,370**	**10,589**	**7,543**	**145**	**4,413**	**105,885**
As at 30 June 2025							
Cost	**193,321**	**15,132**	**21,487**	**27,415**	**409**	**4,413**	**262,177**
Accumulated depreciation	**(116,496)**	**(8,762)**	**(10,898)**	**(19,872)**	**(264)**	**–**	**(156,292)**
Net book amount	**76,825**	**6,370**	**10,589**	**7,543**	**145**	**4,413**	**105,885**

For the six months ended 30 June 2025, depreciation expense of RMB15.4 million and RMB1.5 million has been charged to "cost of sales" and "administrative expenses" respectively.

15 Leases

	Properties RMB'000	Vehicles and others RMB'000	Total RMB'000
Right-of-use assets			
As at 31 December 2024	67,798	1,419	69,217
Additions	1,412	–	1,412
Depreciation charges	(8,892)	(436)	(9,328)
Disposals	(4,988)	–	(4,988)
As at 30 June 2025	**55,330**	**983**	**56,313**

	30 June 2025 RMB'000	31 December 2024 RMB'000
Lease liabilities		
Current	**17,052**	22,105
Non-current	**88,533**	98,695
	105,585	120,800

For the six months ended 30 June 2025, depreciation expense of RMB0.4 million and RMB8.9 million has been charged to "cost of sales" and "administrative expenses" respectively.

16 Investment properties

	Completed investment properties RMB'000
As at 1 January 2024	36,427
Addition	21,459
Disposal	(804)
Fair value changes (Note 5.3(b))	(6,985)
As at 31 December 2024	**50,097**
Addition	**4,288**
Disposal	**(649)**
Fair value changes (Note 5.3(b))	**(5,389)**
As at 30 June 2025	**48,347**

The Group's investment properties mainly represent commercial and residential properties located in the PRC.

17 Intangible assets

	Goodwill	Customer relationships	Software and others	Total
	RMB'000	RMB'000	RMB'000	RMB'000
	(Note (a))			
As at 31 December 2024				
Cost	1,687,536	410,374	343,380	2,441,290
Accumulated amortisation	–	(249,923)	(188,593)	(438,516)
Accumulated impairment	(547,394)	–	(6,885)	(554,279)
Net book amount	1,140,142	160,451	147,902	1,448,495
Half-year ended 30 June 2025				
Opening net book amount	**1,140,142**	**160,451**	**147,902**	**1,448,495**
Additions	**–**	**–**	**6,920**	**6,920**
Amortisation	**–**	**(22,522)**	**(21,929)**	**(44,451)**
Impairment	**–**	**–**	**–**	**–**
Closing net book amount	**1,140,142**	**137,929**	**132,893**	**1,410,964**
As at 30 June 2025				
Cost	**1,687,536**	**410,374**	**350,300**	**2,448,210**
Accumulated amortisation	**–**	**(272,445)**	**(210,522)**	**(482,967)**
Accumulated impairment	**(547,394)**	**–**	**(6,885)**	**(554,279)**
Net book amount	**1,140,142**	**137,929**	**132,893**	**1,410,964**

For the six months ended 30 June 2025, amortisation expense of RMB25.7 million and RMB18.7 million has been charged to "cost of sales" and "administrative expenses" respectively.

(a) As there were no indicators for impairment of the cash-generating units as at 30 June 2025, management has not updated any impairment calculations.

18 Investments accounted for using the equity method

	30 June 2025 RMB'000	31 December 2024 RMB'000
Joint ventures (a)	**13,547**	22,358
Associates (b)	**11,855**	11,106
	25,402	33,464

(A) INVESTMENTS IN JOINT VENTURES

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
At 1 January	**22,358**	23,109
Dividends declared	**(2,008)**	–
Share of loss of joint ventures	**(6,803)**	(1,601)
At 30 June	**13,547**	21,508

(B) INVESTMENTS IN ASSOCIATES

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
At 1 January	**11,106**	33,574
Dividends declared	**–**	(361)
Share of profits/(loss) of associates	**749**	(1,245)
At 30 June	**11,855**	31,968

19 Trade and other receivables

	30 June 2025 RMB'000	31 December 2024 RMB'000
Non-current –		
Other receivables (ii)	**53,431**	244,587
Less: loss allowance (iii)	**(2,305)**	(95,061)
Non-current total	**51,126**	149,526
Current –		
Trade receivables (i)	**7,175,939**	6,488,168
Other receivables (ii)	**1,014,802**	812,247
	8,190,741	7,300,415
Less: loss allowance (iii)	**(4,291,208)**	(3,859,763)
Current total	**3,899,533**	3,440,652

As at 30 June 2025 and 31 December 2024, the carrying amounts of the Group's trade and other receivables were all denominated in RMB.

(i) Trade receivables mainly arise from rendering of property management services managed under lump sum basis, operational services and value-added services. Revenue from property management and operational services, community living services and value-added services to non-property owners are due for payment upon rendering of service. As at 30 June 2025, the Group's trade receivables from related parties were amounted to approximately RMB3,266.73 million (31 December 2024: approximately RMB3,286.29 million) and trade receivables from the third parties were amounted to approximately RMB3,909.21 million (31 December 2024: approximately RMB3,201.88 million), respectively. The ageing analysis of trade receivables based on dates of rendering of services is as follows:

	30 June 2025 RMB'000	31 December 2024 RMB'000
Within 1 year	**2,886,070**	1,876,616
1 to 2 years	**1,188,704**	937,925
2 to 3 years	**495,441**	1,157,518
3 to 4 years	**1,730,662**	2,284,951
4 to 5 years	**793,940**	174,592
Over 5 years	**81,122**	56,566
	7,175,939	6,488,168

19 Trade and other receivables (Continued)

(ii) Other receivables mainly include refundable deposit paid to related parties, the payments on behalf of property owners in respect of utilities costs and the lease receivables in the sublease. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iii) Impairment and risk exposure

The Group assesses on a forward-looking basis the ECL associated with its debt instruments carried at amortised cost. As at 30 June 2025, out of total provision of approximately RMB4,291 million (31 December 2024: approximately RMB3,860 million) for trade and other receivables in current portion, a provision of approximately RMB3,786 million (31 December 2024: approximately RMB3,472 million) was made against the gross amounts of trade receivables. Note 5.2 provides for details about the calculation of the allowance.

Other receivables from third parties are all considered to have low credit risk and the loss allowance recognised during the period was therefore limited to 12 months expected losses.

Other receivables from related parties including refundable deposits for car park agency services are considered to have been credit impaired in credit risk since initial recognition. The Group applied the lifetime ECL at stage 3 to determine the loss allowance to be recognised. As at 30 June 2025, a provision of RMB499.84 million (31 December 2024: RMB463.72 million) was made against the gross amounts of other receivables. Note 5.2 provides for details about the calculation of the allowance.

20 Prepayments

	30 June 2025 RMB'000	31 December 2024 RMB'000
Non-current –		
Prepayments for property, plant and equipment and intangible assets	**1,209**	1,233
Current –		
Prepayments for service fees	**4,577**	4,633
Prepayments for insurances	**2,664**	6,162
Prepayments for short-term rental fees	**2,183**	2,017
Prepayments for utilities	**470**	2,758
Others	**10,760**	11,446
	20,654	27,016

As at 30 June 2025 and 31 December 2024, the carrying amounts of the Group's prepayments were all denominated in RMB.

21 Cash and cash equivalents and bank deposits

Cash on hand and demand deposit:

	30 June 2025 RMB'000	31 December 2024 RMB'000
RMB	**1,998,492**	3,987,110
HKD	**49,971**	40,676
USD	**4**	4
	2,048,467	4,027,790

Bank deposits with the maturity over three months:

	30 June 2025 RMB'000	31 December 2024 RMB'000
RMB	**28,000**	15,000

22 Restricted Cash

	30 June 2025 RMB'000	31 December 2024 RMB'000
Deposit of the equity transaction (i)	**150,000**	–
Others	**16,593**	24,563
	166,593	24,563

(i) Restricted cash represents the deposit received from Guangxi Laozhangjia Property Services Co., Ltd. ("Guangxi Laozhangjia") for the equity transaction (Note 26), which is restricted as the account is under mutual management of the Group and Guangxi Laozhangjia.

23 Financial assets at fair value through profit or loss

	30 June 2025 RMB'000	31 December 2024 RMB'000
Non-current –		
Investment in an unlisted entity	**189,729**	189,793
Current –		
Wealth management products (i)	**801,415**	1,428

(i) As at 30 June 2025, wealth management products represented the investment in certain non-principal guaranteed RMB denominated wealth management products, which had an expected return rate from 2.04% to 3.79% per annum. For wealth management products with fixed maturity date, their maturity dates did not exceed the end of October.

24 Share capital

	Number of ordinary shares	Share capital	
		HK$	Equivalent to RMB'000
Authorised:			
At 31 December 2024 and 30 June 2025, HK$0.01 per share	**10,000,000,000**	**100,000,000**	
Issued and fully paid:			
As at 31 December 2024 and 30 June 2025	**3,056,844,000**	**30,568,440**	**25,645**

25 Reserves

	Share premium RMB'000	Statutory reserve RMB'000	Other reserves RMB'000	Total RMB'000
Six months ended 30 June 2025				
Balance at 1 January 2025	**7,011,699**	**167,840**	**(1,888,889)**	**5,290,650**
Share awards scheme-value of employee services	**–**	**–**	**8,419**	**8,419**
Dividends to the shareholders of the Company	**(438,069)**	**–**	**–**	**(438,069)**
Changes in non-controlling shareholders' put option (Note 26)	**–**	**–**	**218,296**	**218,296**
Appropriation of statutory reserve	**–**	**3,585**	**–**	**3,585**
Balance at 30 June 2025	**6,573,630**	**171,425**	**(1,662,174)**	**5,082,881**
Six months ended 30 June 2024				
Balance at 1 January 2024	7,459,905	165,581	(1,918,400)	5,707,086
Share awards scheme-value of employee services	–	–	5,203	5,203
Dividends to the shareholders of the Company	(448,206)	–	–	(448,206)
Changes in non-controlling shareholders' put option	–	–	26,394	26,394
Balance at 30 June 2024	7,011,699	165,581	(1,886,803)	5,290,477

26 Trade and other payables

	30 June 2025 RMB'000	31 December 2024 RMB'000
Trade payables (i)	**1,054,620**	1,141,964
Temporary receipt on behalf (ii)	**364,184**	402,015
Deposit payables	**349,048**	353,986
Payroll and welfare payables	**312,701**	349,250
Other taxes payable	**163,163**	166,943
Deposit of the equity transaction	**150,000**	–
Amounts due to related parties (iii)	**54,972**	62,143
Consideration payable arising from non-controlling shareholders' put option (iv)	**–**	218,296
Accruals and others	**116,518**	146,871
	2,565,206	2,841,468

26 Trade and other payables (Continued)

As at 30 June 2025 and 31 December 2024, trade and other payables were denominated in RMB and the carrying amounts approximated their fair values.

(i) The ageing analysis of trade payables based on the invoice date was as follows:

	30 June 2025 RMB'000	31 December 2024 RMB'000
Within 1 year	**881,309**	934,962
1 to 2 years	**35,921**	51,189
2 to 3 years	**76,509**	110,390
Over 3 years	**60,881**	45,423
	1,054,620	1,141,964

(ii) Temporary receipt on behalf mainly represented the proceeds received from property owners in respect of utilities costs and miscellaneous income on common area resources payable to property owners.

(iii) The amounts due to related parties mainly represented the deposit payables which are unsecured and interest free.

(iv) The put option was granted to the non-controlling shareholders of certain subsidiary of the Group who had the right to sell the remaining equity interests in the relevant subsidiary to the Group at any time. The put option meets the definition of a financial liability as the Group does not have an unconditional right to avoid delivering cash or another financial asset to settle a contractual obligation. The financial liability is recognised based on the present value of the redemption amount for the acquisition of the remaining equity interests upon the exercise. The subsequent changes in the put liability's carrying amount are recorded in equity.

On 29 April 2025, the Group entered into an equity transaction agreement with Guangxi Laozhangjia to dispose of its 80% equity interest in Guangxi Zhangtai Sunac Smart City Operation and Management Co., Ltd. at a total consideration of RMB826.62 million. Pursuant to this agreement, the original clause related to put option was cancelled no matter this agreement is terminated or not finally. Accordingly, management reversed such consideration payable and reserves within equity. As at 30 June 2025, this transaction has not been completed yet.

27 Deferred income tax

(A) DEFERRED TAX ASSETS

	30 June 2025 RMB'000	31 December 2024 RMB'000
The balance comprises temporary differences attributable to:		
– Impairment provision	**948,488**	873,674
– Fair value change	**53,412**	53,081
– Lease liabilities	**26,396**	30,200
– Accrued expense and others	**21,974**	25,702
– Tax losses	**10,870**	10,219
Total deferred tax assets	**1,061,140**	992,876
Set-off of deferred tax liabilities pursuant to set-off provisions	**(25,095)**	(29,526)
Net deferred tax assets	**1,036,045**	963,350

(B) DEFERRED TAX LIABILITIES

	30 June 2025 RMB'000	31 December 2024 RMB'000
The balance comprises temporary differences attributable to:		
– Fair value surplus at acquisitions	**33,997**	39,628
– Lease payments receivable under a finance lease	**12,577**	13,276
– Right-of-use assets	**12,518**	16,250
– Fair value change	**835**	836
– Others	**130**	600
Total deferred tax liabilities	**60,057**	70,590
Set-off of deferred tax liabilities pursuant to set-off provisions	**(25,095)**	(29,526)
Net deferred tax liabilities	**34,962**	41,064

28 Dividends

No interim dividend for the six months ended 30 June 2025 was proposed by the board of directors of the Company (for the six months ended 30 June 2024: Nil).

29 Related party transactions

(A) MATERIAL TRANSACTIONS WITH RELATED PARTIES

In addition to the related party information disclosed elsewhere in the condensed consolidated interim financial information, the Group had the following significant transactions entered into the ordinary course of business between the Group and the related parties:

(i) Rendering of services

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Revenue from provision of properties management services and value-added services		
– Fellow subsidiaries	**76,360**	47,727
– Associates and joint ventures of Sunac China	**26,934**	45,934
	103,294	93,661

29 Related party transactions (Continued)

(B) BALANCES WITH RELATED PARTIES BEFORE PROVISION

	30 June 2025 RMB'000	31 December 2024 RMB'000
Trade receivables		
– Fellow subsidiaries	**2,713,271**	2,728,007
– Associates and joint ventures of Sunac China	**553,459**	558,282
	3,266,730	3,286,289
Other receivables		
– Fellow subsidiaries	**732,532**	731,750
– Associates and joint ventures of Sunac China	**48,731**	51,405
	781,263	783,155
Trade and other receivables	**4,047,993**	4,069,444
Trade and other payables		
– Fellow subsidiaries	**46,858**	55,517
– Associates and joint ventures of Sunac China	**20,743**	23,368
	67,601	78,885
Contract liabilities		
– Fellow subsidiaries	**435**	1,576
– Associates and joint ventures of Sunac China	**1,481**	3,435
	1,916	5,011

(C) KEY MANAGEMENT COMPENSATION

Compensations for key management are set out below.

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Wages, salaries and discretionary bonuses	**4,557**	8,304
Social insurance expenses, housing benefits and other employee benefits	**361**	474
Share awards	**2,206**	4,042
	7,124	12,820

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