碧桂园服务
COUNTRY GARDEN SERVICES

COUNTRY GARDEN SERVICES HOLDINGS COMPANY LIMITED
碧 桂 園 服 務 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6098)

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

RESULTS HIGHLIGHTS

	For the six months ended 30 June		
	2025	2024	Change
	(RMB million, unless otherwise stated)		
Revenue	**23,185.5**	21,046.2	*10.2%*
Gross profit	**4,299.1**	4,453.4	*-3.5%*
Net profit	**1,002.6**	1,545.6	*-35.1%*
Profit attributable to the owners of the Company	**996.6**	1,440.4	*-30.8%*
Core net profit* attributable to the owners of the Company	**1,567.7**	1,840.0	*-14.8%*
Basic earnings per share *(RMB cents)*	**29.82**	43.09	*-30.8%*
Diluted earnings per share *(RMB cents)*	**29.73**	43.09	*-31.0%*
Revenue-bearing gross floor area ("**GFA**") of the property management services other than the "Three Supplies and Property Management" business *(billion sq.m.)*	**1.06**	1.04#	*0.02*
Revenue-bearing GFA of the property management services of the "Three Supplies and Property Management" business *(billion sq.m.)*	**0.09**	0.09#	–

As at 30 June 2025, the bank deposits (including time deposits and restricted bank deposits) and structured deposits of the Group were approximately RMB16,472.8 million (as at 31 December 2024: approximately RMB18,178.6 million).

The revenue-bearing GFA in 2024 stated above is total areas on 31 December 2024.

* Core net profit attributable to the owners of the Company excluding expenses of share options, unrealised gains or losses from financial assets at fair value through profit or loss, amortisation charges of intangible assets — contracts and customer relationships, insurance brokerage licenses and brands arising from mergers and acquisitions and impairment of goodwill and other intangible assets, impairment of loans to third parties pledged by equities, losses from disposal of subsidiaries, expected losses on external guarantee, impairment of receivables from related parties and fair value gains of contingent consideration related to performance guarantees.

The board (the "**Board**") of directors (the "**Director(s)**") of Country Garden Services Holdings Company Limited (the "**Company**" or "**CG Services**") hereby announces the unaudited interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2025 (the "**Period**") as follows.

The Board proposed not to declare an interim dividend for the six months ended 30 June 2025. To further safeguard the interests of the Company's shareholders and the long-term investment value of the Company, the Board recommended that, subject to compliance with the Group's dividend policy, the target of dividend payment for 2025 will be a cash dividend with reference to 60% of the core net profit* attributable to the owners of the Company of the Group for 2025. Going forward and in the next few years, on the basis of ensuring customer satisfaction, the Group will operate steadily, consolidate profitability, strengthen the management of operating cash flows, and fully consider the needs of capital safety, business development and shareholder returns. It will gradually enhance the comprehensive return to shareholders through methods such as increasing cash dividends, cancelling repurchased shares, repurchasing shares and holding them as treasury shares for share scheme(s) to replace share scheme(s) involving the issuance of new shares, or a combination of the above methods.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
	Notes	***RMB'000***	*RMB'000*
		(unaudited)	(unaudited)
Revenue	*3*	**23,185,484**	21,046,154
Cost of providing services		**(17,890,291)**	(15,745,590)
Cost of sales of goods		**(996,092)**	(847,166)
Gross profit		**4,299,101**	4,453,398
Selling and marketing expenses		**(121,480)**	(185,148)
General and administrative expenses		**(2,205,369)**	(1,793,880)
Net impairment losses on financial and contract assets		**(589,981)**	(404,265)
Other income	*4*	**82,903**	117,503
Other losses — net	*5*	**(137,949)**	(119,692)
Operating profit		**1,327,225**	2,067,916
Finance income		**126,282**	111,164
Finance costs		**(64,212)**	(107,672)
Finance income — net		**62,070**	3,492
Share of results of investments accounted for using the equity method		**(54,573)**	(37,651)
Profit before income tax		**1,334,722**	2,033,757
Income tax expense	*6*	**(332,076)**	(488,176)
Profit for the period		**1,002,646**	1,545,581
Profit attributable to:			
— Owners of the Company		**996,555**	1,440,367
— Non-controlling interests		**6,091**	105,214
		1,002,646	1,545,581

		Six months ended 30 June	
		2025	2024
	Notes	***RMB'000***	*RMB'000*
		(unaudited)	(unaudited)
Other comprehensive (expense)/income			
Item that may be reclassified to profit or loss:			
— Currency translation differences		**4,469**	3,301
Item that will not be reclassified to profit or loss:			
— Changes in fair value of financial assets at fair value through other comprehensive (expense)/income		**(56,907)**	13,541
Total other comprehensive (expense)/income for the period, net of income tax		**(52,438)**	16,842
Total comprehensive income for the period		**950,208**	1,562,423
Total comprehensive income attributable to:			
— Owners of the Company		**944,117**	1,457,209
— Non-controlling interests		**6,091**	105,214
		950,208	1,562,423
Earnings per share for profit attributable to owners of the Company (expressed in RMB cents per share)			
— Basic	*7*	**29.82**	43.09
— Diluted	*7*	**29.73**	43.09

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2025

	Notes	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**1,719,037**	1,702,482
Other right-of-use assets		**400,006**	420,609
Investment properties		**1,748,257**	1,697,824
Intangible assets	*9*	**21,665,228**	22,162,313
Investments accounted for using the equity method		**403,485**	533,497
Financial assets at fair value through other comprehensive income ("**FVOCI**")	*10*	**480,888**	556,740
Contract assets		**3,757**	73,320
Trade and other receivables	*11*	**292,444**	282,769
Deferred income tax assets		**1,301,869**	1,130,244
Time deposits		**2,348,924**	466,281
		30,363,895	29,026,079
Current assets			
Inventories		**674,380**	613,242
Other current assets		**395,337**	344,020
Trade and other receivables	*11*	**24,730,436**	22,680,328
Financial assets at fair value through profit or loss ("**FVPL**")	*12*	**2,044,741**	580,033
Contingent consideration receivables		**289,458**	298,508
Restricted bank deposits		**446,694**	560,016
Time deposits		**2,492,634**	1,815,080
Cash and cash equivalents		**9,723,120**	15,337,225
		40,796,800	42,228,452
Total assets		**71,160,695**	71,254,531

	Notes	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
EQUITY			
Equity attributable to owners of the Company			
Share capital and share premium	*13*	**26,477,904**	26,521,871
Other reserves		**636,613**	597,476
Retained earnings		**9,505,293**	9,497,683
		36,619,810	36,617,030
Non-controlling interests		**2,423,055**	2,461,692
Total equity		**39,042,865**	39,078,722
LIABILITIES			
Non-current liabilities			
Bank and other borrowings	*15*	**513,252**	518,125
Lease liabilities		**1,416,119**	1,726,309
Deferred income tax liabilities		**1,436,577**	1,598,912
		3,365,948	3,843,346
Current liabilities			
Contract liabilities		**7,768,512**	8,245,315
Trade and other payables	*14*	**19,657,812**	18,823,788
Current income tax liabilities		**791,326**	707,579
Bank and other borrowings	*15*	**344,913**	352,131
Lease liabilities		**189,319**	203,650
		28,751,882	28,332,463
Total liabilities		**32,117,830**	32,175,809
Total equity and liabilities		**71,160,695**	71,254,531

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values, as appropriate.

Other than additional/change in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the preparation of condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2024.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to a HKFRS Accounting Standard issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability

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

3. REVENUE AND SEGMENT INFORMATION

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

The Group was principally engaged in the provision of property management services, community value-added services, value-added services to non-property owners, water, electricity and heat supplies and property management services under the state-owned enterprises separation and reform program (hereinafter referred to as "**Three Supplies and Property Management**"), city services and commercial operational services in the People's Republic of China ("**PRC**").

The CODM of the Company regarded that there were four reportable and operating segments which were used to make strategic decisions:

— Property management and related services other than Three Supplies and Property Management businesses, which include property management services, community value-added services and value-added services to non-property owners;

— Three Supplies and Property Management businesses;

— City services business, which include sanitation, cleaning and sewage and waste treatment business; and

— Commercial operational services business.

The CODM assesses the performance of the operating segments based on a measure of operating profit, adjusted by excluding realised and unrealised gains from financial assets at FVPL, and including share of results of investments accounted for using the equity method.

Revenue mainly comprises of proceeds from provision of property management services, community value-added services, value-added services to non-property owners, heat supply services, city services and commercial operational services. 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*
Revenue from property management and related services other than Three Supplies and Property Management businesses		
— Property management services	**13,605,767**	12,751,854
— Community value-added services	**2,103,912**	1,997,843
— Value-added services to non-property owners	**292,276**	355,451
— Other services	**36,557**	94,767
	16,038,512	15,199,915
Revenue from Three Supplies and Property Management businesses		
— Property management and other related services	**4,155,982**	2,467,221
— Heat supply services	**915,703**	877,384
	5,071,685	3,344,605
Revenue from city services business	**1,778,520**	2,169,987
Revenue from commercial operational services business	**296,767**	331,647
	23,185,484	21,046,154

The Group has a large number of customers, none of whom contributed 10% or more of the Group's revenue during the six months ended 30 June 2025 and 2024.

Sales between segments are carried out on terms agreed upon by the respective segments' management.

Nearly 100% of the Group's revenue is attributable to the markets in Mainland China and nearly 100% of the Group's non-current assets are located in Mainland China. No geographical information is therefore presented.

The segment information provided to the CODM for the six months ended 30 June 2025 is as follows:

	Six months ended 30 June 2025				
	Property management and related services other than Three Supplies and Property Management business	**Three Supplies and Property Management business**	**City services business**	**Commercial operational services business**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Revenue from contracts with customers	**16,044,006**	**5,073,201**	**1,912,464**	**217,821**	**23,247,492**
Recognised over time	**15,170,033**	**4,759,301**	**1,867,914**	**217,687**	**22,014,935**
Recognised at a point time	**873,973**	**313,900**	**44,550**	**134**	**1,232,557**
Revenue from other source	**–**	**–**	**–**	**94,001**	**94,001**
Rental income	**–**	**–**	**–**	**94,001**	**94,001**
Total segment revenue	**16,044,006**	**5,073,201**	**1,912,464**	**311,822**	**23,341,493**
Less: inter-segment revenue	**(5,494)**	**(1,516)**	**(133,944)**	**(15,055)**	**(156,009)**
Revenue from external customers	**16,038,512**	**5,071,685**	**1,778,520**	**296,767**	**23,185,484**
Segment results	**1,143,204**	**21,893**	**49,509**	**36,216**	**1,250,822**

The segment information provided to the CODM for the six months ended 30 June 2024 is as follows:

	Six months ended 30 June 2024				
	Property management and related services other than Three Supplies and Property Management business	Three Supplies and Property Management business	City services business	Commercial operational services business	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Revenue from contracts with customers	15,206,541	3,345,011	2,222,762	259,571	21,033,885
Recognised over time	14,483,196	2,869,126	2,148,916	256,908	19,758,146
Recognised at a point time	723,345	475,885	73,846	2,663	1,275,739
Revenue from other source	–	–	–	73,416	73,416
Rental income	–	–	–	73,416	73,416
Total segment revenue	15,206,541	3,345,011	2,222,762	332,987	21,107,301
Less: inter-segment revenue	(6,626)	(406)	(52,775)	(1,340)	(61,147)
Revenue from external customers	15,199,915	3,344,605	2,169,987	331,647	21,046,154
Segment results	1,629,107	26,657	261,471	143,771	2,061,006

During the six months ended 30 June 2025, there has been no material change in segment assets and segment liabilities from the amount disclosed in the last annual financial statements for the reportable segments.

A reconciliation of segment results to profit before income tax is provided as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
Segment results	**1,250,822**	2,061,006
Realised and unrealised gains/(losses) from financial assets at FVPL *(note 5)*	**21,830**	(30,741)
Finance income — net	**62,070**	3,492
Profit before income tax	**1,334,722**	2,033,757

4. OTHER INCOME

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
Dividend income from financial assets at FVOCI	**29,110**	54,711
Government subsidy income	**35,832**	41,401
Late payment charges	**17,961**	21,391
	82,903	117,503

5. OTHER LOSSES — NET

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
Losses on disposals of subsidiaries	**(108,825)**	(38,844)
Gains from the change of sublease contracts (a)	**1,987**	84,393
Gains/(losses) on early termination of lease contracts (b)	**36,803**	(4,856)
Net foreign exchange losses	**(40,214)**	(24,281)
Realised and unrealised gains/(losses) from financial assets at FVPL	**21,830**	(30,741)
Losses on disposals of property, plant and equipment, and investment properties	**(976)**	(10,280)
Others	**(48,554)**	(95,083)
	(137,949)	(119,692)

(a) For the six months ended 30 June 2025, the Group signed certain sublease contracts of properties with third parties, and recognised a net gain of RMB1,987,000 (six months ended 30 June 2024: RMB84,393,000) resulting from the differences of the recognition of finance lease receivables and the derecognition of investment properties.

(b) For the six months ended 30 June 2025, the Group has early terminated certain property lease contracts. Such termination resulted in derecognition of other right-of-use assets of RMB3,708,000 (six months ended 30 June 2024: RMB466,000), investment properties of RMB225,830,000 (six months ended 30 June 2024: RMB68,846,000), receivables from finance leases of nil (six months ended 30 June 2024: RMB31,890,000) and lease liabilities of RMB266,341,000 (six months ended 30 June 2024: RMB96,346,000), resulting gains on early termination of lease contracts recognised in other losses, net of RMB36,803,000 (six months ended 30 June 2024: losses of RMB4,856,000).

6. INCOME TAX EXPENSE

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
Current income tax		
— Provision for current income tax	**683,203**	784,087
Deferred income tax		
— Corporate income tax	**(351,127)**	(251,846)
— Withholding income tax on profits to be distributed in future	**–**	(44,065)
	(351,127)	(295,911)
	332,076	488,176

7. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share from continuing attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2025	2024
Earnings *(RMB'000)*		
Earnings for the purpose of basic and diluted earnings per share: profit attributable to the owners of the Company	**996,555**	1,440,367
Number of shares *(thousands shares)*		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**3,342,141**	3,343,020
Effect of dilutive potential ordinary shares: Share options	**9,446**	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**3,351,587**	3,343,020
Earnings per share *(RMB cents per share)*		
Basic	**29.82**	43.09
Diluted	**29.73**	43.09

No share option would potentially dilute earnings per share for the period of six months ended 30 June 2024.

8. DIVIDENDS

The final dividend in respect of 2024 of RMB13.52 cents (equivalent to HKD14.76 cents) per share and a special dividend of RMB16.09 cents (equivalent to HKD17.57 cents) per share, totalling approximately RMB988,945,000. Such final dividend and special dividend have been approved at the annual general meeting of the Company on 23 May 2025 and will be paid in Hong Kong Dollar in cash on or around 29 August 2025.

The final dividend in respect of 2023 of RMB2.19 cents (equivalent to HKD2.41 cents) per share and a special dividend of RMB27.27 cents (equivalent to HKD29.94 cents) per share, totalling approximately RMB984,854,000 was approved at the annual general meeting of the Company on 6 June 2024 and was paid in cash on 30 August 2024.

The Board of Directors has resolved not to declare an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

9. INTANGIBLE ASSETS

	Software	Contracts and customer relationships	Insurance brokerage license	Brand	Concession intangible assets	Total other intangible assets	Goodwill	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
							(i)	
Six months ended 30 June 2025								
Opening net book amount	**479,037**	**4,366,674**	**17,322**	**1,297,592**	**578,882**	**6,739,507**	**15,422,806**	**22,162,313**
Acquisition of subsidiaries	**1,237**	**–**	**–**	**–**	**–**	**1,237**	**–**	**1,237**
Other additions	**42,948**	**20,433**	**–**	**–**	**70,711**	**134,092**	**–**	**134,092**
Amortisation	**(37,818)**	**(407,047)**	**(1,238)**	**(166,358)**	**(11,295)**	**(623,756)**	**–**	**(623,756)**
Other disposals	**(2,435)**	**–**	**–**	**–**	**–**	**(2,435)**	**–**	**(2,435)**
Disposal of subsidiaries	**–**	**–**	**–**	**–**	**–**	**–**	**(6,223)**	**(6,223)**
Closing net book amount	**482,969**	**3,980,060**	**16,084**	**1,131,234**	**638,298**	**6,248,645**	**15,416,583**	**21,665,228**
At 30 June 2025								
Cost	**771,841**	**7,398,135**	**28,663**	**2,128,394**	**752,189**	**11,079,222**	**19,473,254**	**30,552,476**
Accumulated amortisation	**(288,872)**	**(3,409,619)**	**(12,579)**	**(995,272)**	**(113,891)**	**(4,820,233)**	**–**	**(4,820,233)**
Accumulated impairment	**–**	**(8,456)**	**–**	**(1,888)**	**–**	**(10,344)**	**(4,056,671)**	**(4,067,015)**
Closing net book amount	**482,969**	**3,980,060**	**16,084**	**1,131,234**	**638,298**	**6,248,645**	**15,416,583**	**21,665,228**
Six months ended 30 June 2024								
Opening net book amount	485,759	4,841,360	19,797	1,538,175	609,417	7,494,508	16,432,801	23,927,309
Acquisition of subsidiaries	–	43,963	–	–	–	43,963	76,802	120,765
Other additions	26,880	–	–	–	–	26,880	–	26,880
Amortisation	(38,010)	(401,994)	(1,237)	(120,290)	(19,762)	(581,293)	–	(581,293)
Disposal of subsidiaries	–	(48,892)	–	–	–	(48,892)	(84,042)	(132,934)
Closing net book amount	474,629	4,434,437	18,560	1,417,885	589,655	6,935,166	16,425,561	23,360,727
At 30 June 2024								
Cost	692,686	6,982,758	28,664	2,128,395	668,429	10,500,932	19,492,232	29,993,164
Accumulated amortisation	(218,057)	(2,539,865)	(10,104)	(708,622)	(78,774)	(3,555,422)	–	(3,555,422)
Accumulated impairment	–	(8,456)	–	(1,888)	–	(10,344)	(3,066,671)	(3,077,015)
Closing net book amount	474,629	4,434,437	18,560	1,417,885	589,655	6,935,166	16,425,561	23,360,727

(i) Goodwill

The goodwill (net book amount) is allocated in cash-generating units ("**CGU**") as follows:

	At 30 June 2025 *RMB'000*	At 31 December 2024 *RMB'000*
Country Garden Life Services Group Company Limited ("**Life Services**") CGU	**6,457,224**	6,380,422
Wealth Best Global Holdings Group Company Limited ("**Wealth Best Global**") CGU	**3,567,263**	3,567,263
Link Joy Holdings Group Co., Ltd. ("**Link Joy**") CGU	**3,233,591**	3,233,591
Country Garden Manguo Environmental Technology Group Co., Ltd. ("**Manguo**") CGU	**968,891**	968,891
Other CGUs	**1,189,614**	1,272,639
	15,416,583	15,422,806

Integration of CGUs and goodwill reallocation

During the six months ended 30 June 2025, there has been a change in the identified CGU resulting from the integration of Sichuan Hemeng Property Management Co., Limited ("**Sichuan Hemeng**") into Life Services CGU in order to improve operation efficiency. Both Sichuan Hemeng and Life Services CGU are within the property management and related services operating segment. Accordingly, goodwill originally along with Sichuan Hemeng is reallocated into Life Services CGU for goodwill impairment assessment purpose. Management expected that the benefit of expected synergies of Sichuan Hemeng shall be achieved from integrating it into the Group's existing property management services under Life Services CGU. Such integration resulted in the reallocation of goodwill as there has been a change to the way in which goodwill is monitored internally.

As there were no indicators for impairment of the CGUs as at 30 June 2025, management has not updated any impairment calculations.

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	At 30 June 2025 *RMB'000*	At 31 December 2024 *RMB'000*
Listed equity securities	**13,839**	14,053
Unlisted equity investments	**467,049**	542,687
	480,888	556,740

The investments mainly represent equity investments in several property management companies.

11. TRADE AND OTHER RECEIVABLES

	At 30 June 2025 *RMB'000*	At 31 December 2024 *RMB'000*
Current assets:		
Trade receivables (a)		
— Related parties	**2,383,428**	2,548,569
— Third parties	**21,079,621**	18,595,563
	23,463,049	21,144,132
Less: allowance for impairment of trade receivables (b)		
— Related parties	**(1,791,386)**	(1,886,053)
— Third parties	**(1,777,465)**	(1,568,707)
	(3,568,851)	(3,454,760)
	19,894,198	17,689,372
Other receivables		
— Payments on behalf of property owners	**1,154,696**	962,054
— Deposits	**516,602**	505,457
— Loans to third parties pledged by equities (d)	**1,184,543**	1,185,849
— Receivables from finance leases	**58,406**	56,917
— Others	**998,836**	988,187
	3,913,083	3,698,464
Less: allowance for impairment of other receivables (c)	**(356,761)**	(318,032)
	3,556,322	3,380,432
Prepayments to suppliers		
— Related parties	**6,684**	9,131
— Third parties	**893,395**	1,196,433
	900,079	1,205,564
Prepayments for other taxes	**379,837**	404,960
	24,730,436	22,680,328
Non-current assets:		
Other receivables		
— Receivables from finance leases	**292,444**	282,769

As at 30 June 2025 and 31 December 2024, most of the trade and other receivables were denominated in RMB, and the fair value of trade and other receivables approximated their carrying amounts.

(a) Trade receivables mainly arise from property management services income under lump sum basis, value-added services to non-property owners, heat supply services, city services and commercial operational services.

Property management services income under lump sum basis, heat supply services income and commercial operational services income are paid in accordance with the terms of the relevant service agreements. Service income from property management services and heat supply services are due for payment by the residents upon the issuance of demand note.

For value-added services to non-property owners and city services, customers are generally given a credit term of up to 90 days.

The aging analysis of the gross trade receivables based on invoice date was as follows:

	At 30 June 2025	At 31 December 2024
	RMB'000	*RMB'000*
Within 1 year	**12,613,558**	11,374,034
1 to 2 years	**5,053,063**	5,099,542
2 to 3 years	**4,228,289**	3,695,107
Over 3 years	**1,568,139**	975,449
	23,463,049	21,144,132

(b) Movement of allowance for impairment of trade receivables was as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
At 1 January	**3,454,760**	3,132,683
Provision for loss allowance recognised in profit or loss	**476,163**	350,059
Receivables written off as uncollectable	**(362,072)**	(25,351)
At 30 June	**3,568,851**	3,457,391

(c) Movement of allowance for impairment of other receivables was as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
At 1 January	**318,032**	220,135
Provision for loss allowance recognised in profit or loss	**38,729**	30,905
At 30 June	**356,761**	251,040

(d) The Group provided short-term loans to several third parties pledged by equity interests of property management and property agency services companies in the PRC held by the corresponding parties. The loans to third parties bear interest rate at 6% to 15% per annum. These loans have a term of 2 to 12 months. The reason for the Group to provide such loans to the third parties is for potential acquisitions of equity interests of property management and property agency services companies.

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

As at 30 June 2025, financial assets at FVPL included structure products amounted to approximately RMB1,461,434,000 (as at 31 December 2024: nil) in the reputable banks with high credit ratings assigned by international credit agencies, wealth management products which can be redeemed any time at the Group's discretion amounted to approximately RMB583,883,000 (as at 31 December 2024: RMB580,033,000) and forward exchange contracts.

The structure products have a term from one to six months (as at 31 December 2024: nil) with average expected return rate at 0.8%-2.8% (as at 31 December 2024: nil). The fair values of these investments were determined based on the expected returns as stipulated in relevant contracts with the counterparties.

For the wealth management products invested by the Group, these products have a term of 5 years (as at 31 December 2024: 5 years) with average expected return rate at 3.4% (as at 31 December 2024: 3.3%). The fair values of these investments were determined based on the expected returns with reference to underlying investment.

The Group also held currency forward contracts at 30 June 2025. These currency forward contracts with an aggregate notional amount of exchanging HKD2,229,568,000 for USD at forward exchange rate of from HKD7.7353 to HKD7.7600 to USD1 with maturity date at or before 27 February 2026. The currency forward exchange contracts were secured by the time deposits of HKD2,090,396,000 (equivalent to RMB1,906,441,000) at 30 June 2025. The fair value of these currency forward exchange contracts were determined based on the quoted price from the bank. The differences between fair value and carrying amounts are insignificant as at 30 June 2025 (as at 31 December 2024: nil).

13. SHARE CAPITAL AND SHARE PREMIUM

	Notes	Number of shares	Nominal value of shares	Equivalent nominal value of shares *RMB'000*	Share premium *RMB'000*	Total *RMB'000*	Share repurchased for cancellation *RMB'000*	Share purchased for the share award scheme *RMB'000*	Total *RMB'000*
Authorised									
Authorised share capital of USD0.0001 each		10,000,000,000	1,000,000						
At 1 January 2024, 30 June 2024, and 1 January 2025 and 30 June 2025		10,000,000,000	1,000,000						
At 1 January 2024 and at 30 June 2024		3,343,020,336	334,302	2,135	27,064,723	27,066,858	–	–	27,066,858
At 1 January 2025		**3,343,049,591**	**334,305**	**2,135**	**27,065,179**	**27,067,314**	**–**	**(545,443)**	**26,521,871**
Buy-back of shares	*(a)*	**–**	**–**	**–**	**–**	**–**	**(45,171)**	**(11,104)**	**(56,275)**
Consideration issue	*(b)*	**326,551**	**33**	**–**	**12,308**	**12,308**	**–**	**–**	**12,308**
At 30 June 2025		**3,343,376,142**	**334,338**	**2,135**	**27,077,487**	**27,079,622**	**(45,171)**	**(556,547)**	**26,477,904**

(a) On 18 November 2024, the Company adopted the Share Award Scheme. According to the rules of the Share Award Scheme and the terms of the trust deed, a designated subsidiary of the Company established a trust in the PRC and entrusted the trustee to purchase a total of 109,000,000 shares of the Company on the open market. During the year ended 31 December 2024, a total of 106,880,000 shares were purchased at the consideration of RMB545,443,000 under the Share Award Scheme. For the six months ended 30 June 2025, a total of 2,120,000 shares were purchased at the consideration of RMB11,104,000 under the Share Award Scheme.

During the six months ended 30 June 2025, the Company bought back a total of 7,552,000 shares for cancellation. The buy-back and cancellation were approved by shareholders at the annual general meetings on 6 June 2024 and 23 May 2025. The total consideration paid to buy back these shares was HKD49,143,000 (equivalent to RMB45,171,000). The shares were acquired at a weighted average price of HKD6.51 per share, with prices ranging from HKD6.21 to HKD6.76. The total of 7,552,000 shares for cancellation but not yet cancelled were included in the issued shares.

(b) On 26 March 2025, the Company issued 326,551 consideration shares to the former shareholders of Everjoy Services Company Limited for the projects delivered in transit.

14. TRADE AND OTHER PAYABLES

	At 30 June 2025 *RMB'000*	At 31 December 2024 *RMB'000*
Trade payables (a)		
— Related parties	**282,114**	175,195
— Third parties	**9,215,852**	8,458,982
	9,497,966	8,634,177
Other payables		
— Deposits	**2,024,249**	2,052,592
— Temporary receipts from properties owners	**3,003,644**	2,985,848
— Provision for financial guarantee *(note 16)*	**121,724**	46,635
— Considerations payable for business combinations	**4,001**	9,265
— Dividend payables	**1,025,267**	19,642
— Accruals and others	**955,327**	907,298
	7,134,212	6,021,280
Contingent considerations for business combinations	**107,678**	118,235
Payroll payables	**2,149,351**	3,292,507
Other taxes payables	**768,605**	757,589
	19,657,812	18,823,788

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

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

	At 30 June 2025 *RMB'000*	At 31 December 2024 *RMB'000*
Within 1 year	**8,213,643**	7,397,618
1 to 2 years	**758,602**	802,199
2 to 3 years	**284,620**	364,184
Over 3 years	**241,101**	70,176
	9,497,966	8,634,177

15. BANK AND OTHER BORROWINGS

	At 30 June 2025			At 31 December 2024		
	Current	**Non-current**	**Total**	Current	Non-current	Total
	RMB'000	***RMB'000***	***RMB'000***	*RMB'000*	*RMB'000*	*RMB'000*
Secured:						
Bank loans	**238,031**	**363,564**	**601,595**	243,055	350,294	593,349
Other borrowings	**79,963**	**149,688**	**229,651**	94,176	167,831	262,007
	317,994	**513,252**	**831,246**	337,231	518,125	855,356
Unsecured:						
Bank loans	**26,919**	**–**	**26,919**	14,900	–	14,900
Other borrowings	**–**	**–**	**–**	–	–	–
	26,919	**–**	**26,919**	14,900	–	14,900
Total bank and other borrowings	**344,913**	**513,252**	**858,165**	352,131	518,125	870,256

The Group's secured borrowings as at 30 June 2025 was amounted to RMB831,246,000 (31 December 2024: RMB855,356,000), mainly secured by certain transportation equipment of the Group with net book amount of RMB114,088,000 (31 December 2024: RMB119,476,000) and pledged by rights of collection of several city service projects.

The Group's bank and other borrowings were repayable as follows:

	Bank loans		**Other borrowings**	
	At 30 June 2025	At 31 December 2024	**At 30 June 2025**	At 31 December 2024
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Within 1 year	**264,950**	257,955	**79,963**	94,176
Over 1 year and within 2 years	**49,000**	22,950	**8,698**	20,236
Over 2 years and within 5 years	**39,814**	57,094	**–**	5,000
Over 5 years	**274,750**	270,250	**140,990**	142,595
	628,514	608,249	**229,651**	262,007

The weighted average effective interest rate for the period ended 30 June 2025 was 4.21% (for the year ended 31 December 2024: 4.25%) per annum.

The carrying amounts of the bank and other borrowings are denominated in RMB.

The carrying amounts of the current borrowings approximate their fair value, as the impact of discounting using a current borrowing rate is not significant.

16. FINANCIAL GUARANTEE CONTRACT

Chongqing Caizhixin Smart Life Services Group Limited (formerly Caixin Smart Life Services Group Limited, "**Caizhixin Services**"), a subsidiary of the Company, was acquired by the Group from its original shareholder, Chongqing Caixin Group Co., Ltd. ("**Caixin Group**"), on 30 September 2021 (the "**Acquisition Date**"). In late August 2022, certain bank accounts of Caizhixin Services were frozen judicially, in light of the fact that Caizhixin Services provided joint and several guarantee to a trust financing arrangement of Caixin Group prior to the Acquisition Date. The Company was informed by Caixin Group and validated the existence of this obligation after the incident happened.

According to information subsequently obtained, in addition to the pledge of the equity interest of a subsidiary held by Caixin Group, the debts were also secured by another eight guarantors, including: (1) one guarantor providing guarantees by way of asset pledge; and (2) the other seven entities (including Caizhixin Services) providing joint and several guarantee obligations. As at 30 June 2025, the principal amount involved in the guarantee of the relevant debt is approximately RMB689,500,000 (as at 31 December 2024: RMB689,500,000). Together with accrued interests and penalties, the total guarantee amount is approximately RMB1,181,845,000 (as at 31 December 2024: RMB1,104,676,000).

Management of the Company represents that: (1) the Caixin Group confirms that, apart from this, Caizhixin Services provided no other external guarantee prior to the Acquisition Date; (2) the normal operation of Caizhixin Services has not been materially and adversely affected; (3) since the engagement with and acquisition of Caizhixin Services by the Group, Caixin Group has disclosed and undertaken that the guarantee did not exist during the course of due diligence and negotiation of the acquisition agreement, which, at present, is in violation of the relevant covenants and undertakings under the agreement regarding the acquisition of Caizhixin Services; (4) the Group has actively taken legal proceedings, to protect the Group's legitimate rights and interests. As at 30 June 2025, the amount of restricted bank deposits in the frozen bank accounts of Caizhixin Services was RMB5,691,000 (as at 31 December 2024: RMB5,689,000). As at 30 June 2025, the Group has assessed that the expected credit losses for the financial guarantee and accordingly made a provision of RMB121,724,000 (as at 31 December 2024: RMB46,635,000). When estimating the expected credit losses of the financial guarantee, management applied estimation under various scenarios of repayment orders.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is a leading integrated service provider in the PRC covering diversified business forms, including services to residential properties, commercial properties, office buildings, industrial parks, multi-purpose complexes, government buildings, hospitals, schools and other public facilities, such as airport terminals, highway service stations and cultural scenic areas. We have gained satisfaction from industry-leading customers and brand reputation with quality services, as well as high recognition in a number of sub-segments of the industry. We have won well-recognized awards in the industry including "2025 Leading Property Management Companies in China in terms of Marketisation of Business" (2025中國物業管理行業市場化運營領先企業) and "2025 Leading Companies in China in terms of Property Technology Empowerment" (2025中國物業科技賦能領先企業) granted by China Index Academy; "2025 First in Property Management Companies in China in terms of Comprehensive Strength" (2025中國物業企業綜合實力第1名) and "2025 China's Model Property Service Companies for Red Property Service" (2025中國物業服務紅色物業樣本標竿企業) granted by YIHAN (億翰智庫); and "2025 Leading Property Management Companies in China in terms of Social Responsibility Contribution" (2025中國物業社會責任貢獻領先企業) and "2025 Leading Listed Property Management Companies in China in terms of ESG Sustainable Development" (2025中國物業管理上市公司ESG可持續發展領先企業) granted by CRIC Property Management.

The major business sectors of the Group include: (i) property management services, (ii) community value-added services, (iii) value-added services to non-property owners, (iv) the "Three Supplies and Property Management" business, (v) city services and (vi) commercial operational services, which constitute part of our comprehensive services to customers that cover the full range of the value chain in property management.

Property Management Services

We provide property owners, residents and property developers with a series of property management services, including security, cleaning, green landscaping, gardening, repair and maintenance, and other services. During the Period, property management services recorded a revenue of approximately RMB13,605.8 million, representing a year-on-year increase of approximately 6.7% as compared to the same period of last year, and its percentage of total revenue amounted to approximately 58.7%.

The scale of the Group's property management business has been steadily expanding. As at 30 June 2025, apart from the "Three Supplies and Property Management" business, our revenue-bearing GFA was approximately 1,063.3 million sq.m.. In addition, the revenue-bearing GFA of the property management services of the "Three Supplies and Property Management" business was approximately 90.1 million sq.m.. We manage a total of 8,108 property projects, which cover 31 provinces, municipalities, autonomous regions in Mainland China and the Hong Kong Special Administrative Region and overseas, focusing on five key economically developed city clusters, including the Pearl River Delta, the Yangtze River Delta, the middle reaches of the Yangtze River, the Beijing-Tianjin-Hebei Region and the Chengdu-Chongqing Region in China. Among them, the percentage of the revenue-bearing GFA of projects in first and second-tier cities amounted to approximately 40.2%.

Customer satisfaction is an important foundation for the sustainable development of the Group. We have continued to build an efficient and lean operation system to support the stability of the basic foundation of services and property management. During the Period, based on customers' actual needs, we invested approximately RMB259 million in the renovation and upgrading of community recreational facilities and old facilities so as to improve the experience of clients. We promoted the in-depth implementation of service grading across 942 projects in 37 cities nationwide. Through differentiated operation strategies and resource allocation, we have accurately matched service demands with resource models. Furthermore, we have improved operational efficiency by digitalizing work orders, digitalizing cleaning services and adopting human-machine collaboration, so as to promote the improvement of capacity for healthy and sustainable development of the Group.

The Group actively invested in the development of core capabilities such as digital R&D and innovation, artificial intelligence and the Internet of Things (IoT), committed to empowering services with technology and continuously improving our service quality, operating efficiency and customer experience. During the Period, we promoted the reshaping of a new decision-making paradigm through data intelligence, continuously strengthened the development of data platforms, conducted in-depth data governance, consolidated and improved the security system, and committed to protecting customers' privacy and security. The Group obtained the first-ever PIA (Personal Information Protection Impact Assessment) Two-Star Certification for information security within the industry. As an industry-leading mobile intelligent agent, "No. 0 Assistant" (零號助理) empowered business operations by enabling rapid analysis and accurate decision-making in daily operations. We accelerated the R&D and promotion of human-machine collaboration products focusing on the large-scale application of the cleaning robot "No. 0 Resident" as the core, creating a new service model of human-machine collaboration. We and Tencent jointly launched a property management fee auto-deduction solution based on WeChat Pay, delivering a more convenient payment experience for customers. In addition, we have established a full life-cycle digital supervision system for elevator maintenance, achieving the management and control of nearly 160,000 elevators with a coverage rate of 96.28%. During the Period, complaints per 100 elevators decreased by 30% year-on-year. Meanwhile, we have developed an industry-leading digital market expansion tool, comprehensively covering the entire business process from project leads to contract signing, and helping increase the efficiency of business opportunity follow-up by 20% compared to the period before the tool was used.

We consistently adhered to the high-quality expansion strategy highlighting the focus on residential properties as the core. During the Period, the annualized revenue from property projects newly contracted and admitted in within our residential and commercial and office buildings sectors of the Group accounted for approximately 71.4%. In terms of service products, we have initially implemented a point-to-area expansion model for old residential communities, and deployed new projects in 11 cities including Beijing, Shanghai and Wuhan. In addition, we actively enhanced our service capabilities and built professional service qualifications, achieving key breakthroughs in the market expansion of Integrated Facilities Management (IFM) projects. During the Period, we successfully secured IFM projects including those for industrial parks of factories and mines under China National Coal Group, the new campus of the School of Music of The Chinese University of Hong Kong, Shenzhen and the bid sections of China Mobile in Shaoguan, Guangdong Province and Shaanxi Province. The service scope covers comprehensive logistics services such as property management, conference services, venue management and corporate administration, aiming to help clients focus on the development of their core businesses, reduce management costs and optimize service experience.

Community Value-added Services

We are committed to becoming an "integrated whole-cycle community living services operator". By focusing on the family growth cycle of property owners, the property value cycle and the mature development cycle of communities, we strive to provide property owners with comprehensive community living services to meet their needs for asset value preservation and appreciation and daily living needs, so as to enable property owners to experience the beauty of property management services. Based on the community and property service scenarios, we continuously build community value-added service businesses that satisfy customers, and possess differentiation and marketization capabilities, and drive the shift in our business structure from resource-based businesses to market-oriented businesses, thereby driving the scale expansion and quality improvement of our community value-added services.

Five major businesses have formed in our community value-added services sector: (i) home services — providing property owners with safe, convenient, professional and considerate full-range home services through a standardized operation system; (ii) community media services — establishing deep connection between consumers and brands through the community media matrix; (iii) local living services (including home decoration intermediate services) — setting up local consumption scenarios for customers and continuously adapting to the needs of property owners to customize diversified life services; (iv) real estate brokerage services — serving the needs of property owners for asset management and further developing second-hand property rental and sale; and (v) community area services — making full use of community space resources and carrying out business with the aim of providing convenience to the life of property owners and improving their sense of happiness in their living.

During the Period, the Group's revenue from the Group's community value-added services was approximately RMB2,103.9 million, representing a year-on-year increase of approximately 5.3% as compared to the same period of last year, and its percentage of total revenue of the Group was approximately 9.1%. We focused on building core competencies in the liquor business under the "property services + professional attitude" community partner model, continuously exploring private domain scenarios within the community to improve product competitiveness and customer reach. We accumulated a total of nearly 4,200 customers during the Period, with a repeat purchase rate of approximately 65%. We continued to make efforts in the new energy business. Our self-operated brand, "Smart Enjoy Charging Downstairs" (智享樓下充電), provides property owners with safer and more convenient two-wheeler charging services through self-operated equipment. Our business scale continued to grow, and by the end of the first half of 2025, we had cumulatively operated a total of approximately 600,000 charging sockets in more than 5,000 communities across the country, with the cumulative number of registered users exceeding 5.5 million and cumulative service instances exceeding 100 million. User engagement also increased, with the number of monthly active users exceeding 2 million. Additionally, we accelerated our expansion into external markets, promoting cities upgrading and industrial standardization. We provided one-stop site management charging solutions for market-oriented projects. Through unified platform operation tools and management standards, we improved owners' satisfaction with charging services while enhancing site operational efficiency.

Value-added Services to Non-Property Owners

During the Period, the revenue from value-added services to non-property owners was approximately RMB292.3 million, representing a year-on-year decrease of approximately 17.8% as compared to the same period last year, and its percentage of the Group's total revenue further decreased to approximately 1.3%. The value-added services to non-property owners we provide mainly include (i) management consultancy services to property developers for their presale activities, as well as consultancy services for properties managed by other property management companies; (ii) cleaning services, green landscaping, repair and maintenance services to property developers at the pre-delivery stage; (iii) sales and leasing agency services of unsold parking spaces and properties; and (iv) elevator products installation, supporting services and other services.

"Three Supplies and Property Management" Business

The Group established a joint venture in 2018 and began to undergo the separation and transfer of property management and heat supply under the"Three Supplies and Property Management" reform. As of 30 June 2025, the revenue-bearing GFA of the property management services of the "Three Supplies and Property Management" business was approximately 90.1 million sq.m.. During the Period, the revenue from the property management business was approximately RMB4,156.0 million, and the revenue from the heat supply business was approximately RMB915.7 million.

During the Period, our brand reputation and comprehensive strength continued to grow, which were underscored by multiple honors, such as "The 15th among the Top 100 Chinese Property Service Enterprises in Comprehensive Strength in 2025" awarded by CPM Think Tank and CPM Research Institute. At the operational level, we have innovatively enriched community cultural activities and expanded community space operation, achieving higher quality and efficiency in safety management, quality control, smart operations, and customer service. Furthermore, leveraging our brand advantages and technological capabilities, we have actively explored high-quality project resources and continuously expanded our business scale, achieving new breakthroughs in market development. During the Period, we signed 315 new contracted projects with a total contract amount of RMB1,787 million.

City Services

The Group focuses on core sectors such as intelligent operation and maintenance of urban (ecological) environments, solid waste disposal and resource utilization, environmental protection governance, green technology services, manufacturing and leasing of environmental industry technology equipment and industrial services. The Group also provides comprehensive environmental protection governance solutions covering environmental protection design, construction & renovation, and intelligent operation for urban development, industrial upgrading, and livable communities. During the Period, our city services recorded a revenue of approximately RMB1,778.5 million, representing a year-on-year decrease of approximately 18.0% as compared to the same period of last year, and its percentage of the Group's total revenue decreased to approximately 7.7%.

Commercial Operational Services

The Group provides shopping malls, neighborhood commercial centers, office buildings and other projects with full-chain services such as business planning consulting, tenant sourcing, operation and planning services, mainly including (i) conducting commercial operation and management of the properties owned by leasing developers or property owners; (ii) providing property market research and positioning services to property developers at the investment stage; (iii) providing market research and positioning, business planning consulting, tenant solicitation and opening preparation services to property developers or owners at the preparation stage before the opening of the properties; and (iv) providing tenant solicitation, operation and management services to property owners or tenants at the stage of property operation.

During the Period, the commercial operational management business segment of the Group achieved a total revenue of approximately RMB296.8 million. Our commercial operational services formed various product line matrix, including city-grade full-service shopping mall "Bele city" (碧樂城), regional shopping mall "Bele one" (碧樂匯) and community neighbourhood commercial center "Bele time" (碧樂時光). During the Period, we have taken full advantage of our own high-quality commercial operational capabilities, huge brand resources library and other advantages and kept promoting third-party business expansion, thereby securing landmark projects including Bele City in Boxing, Binzhou, Shandong (山東濱州博興碧樂城), Bele One in Cixian, Handan, Hebei (河北邯鄲磁縣碧樂匯), and Bele One in Sanhe, Langfang, Hebei (河北廊坊三河碧樂匯).

PROSPECTS AND FUTURE PLANS

Deepening the grading of property management services to build a digital-based efficient operating and management system

The high customer recognition and satisfaction are the fundamental driving forces behind the sustainable development of CG Services. We always prioritize the needs of property owners, adhering to the guiding principle of "Property owner-oriented" and fulfilling our service commitment to "Catering for property owners' urgent needs; addressing property owners' concerns". By continuously optimizing our service grading mechanism and deeply integrating digital operational models, we built an "end-to-end online closed-loop management system" for property owners' demands. By standardizing and controlling the operation chain, we realized the standardization of property service processes and operational procedures. Meanwhile, we focused on customers' key demands to continuously improve service response efficiency and customers' experience, striving to provide high-quality services that offer excellent value for their money and create a more livable and harmonious community atmosphere.

In the future, we will continue to deepen our service grading, redefine the value of services through service grading, upgrade the ecosystem of service products, cover more diverse markets, and enhance the value experience in areas including basic property services, spatial scenarios and lifestyle services, thereby driving improvements in lean operational levels and customer response speed. We will continue to build a highly efficient operation system. By integrating lean operations with a diversified workforce model, we will break through efficiency boundaries; through establishing hierarchical and categorized operation strategies, we will establish operation models adapted to multiple types of projects to stimulate the development momentum of each project. With digital upgrading as the core link, we will continuously expand the depth and breadth of business operations, enabling each project to become a "healthy development unit" and accumulating momentum for long-term value growth.

Focusing on the core lifestyle needs of property owners, we have built key business capabilities to drive the market-oriented development of community value-added services

CG Services is committed to becoming an "integrated whole-cycle community living services", providing property owners with all-scenario, full-chain and entire-life-cycle community life services. Focusing on the core lifestyle needs of property owners, we have already established market-oriented businesses including integrated marketing, liquor, home decoration intermediate and new energy in the community. Simultaneously, the Group is also actively incubating businesses such as near-field retail, home services, community insurance, and real estate agency, bringing convenience to the vast number of community residents while redefining the value experience of property services.

Moving forward, we will continue developing premium community value-added services. While addressing various core needs of property owners, we will actively explore business models and directions, build core business capabilities, strengthen team building, achieve lean operations, and drive the transformation of our business structure from resource-based operations to market-oriented operations, thereby fueling the scale expansion and quality enhancement of our overall community value-added services business.

Empowering property services with technology to deliver more thoughtful services and more precise operation

With artificial intelligence technology entering the stage of large-scale commercial application, the property services industry is undergoing a disruptive transformation. CG Services has consistently driven digital transformation, empowering services with technology to comprehensively enhance customer experience, service quality and operational efficiency. We will continue to strengthen our data foundation, advance data governance, and enable smart decision-making in operational management in a real-time manner under the support of the universal data. Furthermore, we will actively embrace and promote the in-depth application of artificial intelligence in property management scenarios such as customer services, facility management, security monitoring and energy consumption optimization, enhancing the technological and intelligent level of our services and striving to become a leader in smart community services.

The cleaning robot, as an intelligent equipment in property management service, integrates a range of advanced technologies, thereby significantly improving the efficiency and quality of property cleaning operations. We have deployed around 100 self-developed "No. 0 Resident" cleaning robots across our projects, which has initially enhanced both cleaning efficiency and quality. In the second half of 2025, we will continue to advance the R&D and adoption of "No. 0 Resident" and plan to achieve large-scale deployment across projects in the Southern China region during the year, further promoting standardized operations and efficiency improvements under the validated human-machine collaboration model.

FINANCIAL REVIEW

Revenue

The Group's revenue is mainly derived from (i) property management services, (ii) community value-added services, (iii) value-added services to non-property owners, (iv) "Three Supplies and Property Management" business, (v) city services and (vi) commercial operational services. For the six months ended 30 June 2025, the total revenue increased by approximately 10.2% to approximately RMB23,185.5 million from approximately RMB21,046.2 million for the six months ended 30 June 2024. Such increase was mainly attributable to the comprehensive impact of the continued growth in the revenue from property management services, community value-added services, and the "Three Supplies and Property Management" business of the Group, representing an increase of 14.9% in total as compared to that for the same period in 2024 as offset by the decrease in revenue from value-added services to non-property owners as a result of proactive suppression of the Group's transaction amounts with customers whose credit risks have significantly increased (the "**High-Risk Customers**") and the decline in revenues from city services and commercial operational services. Specific revenue by business is shown below:

(I) Property management services

During the Period, the revenue from property management services increased by approximately 6.7% to approximately RMB13,605.8 million from approximately RMB12,751.9 million for the six months ended 30 June 2024, accounting for approximately 58.7% of the total revenue (for the same period in 2024: approximately 60.6%).

As at 30 June 2025, the revenue-bearing GFA of the Group increased by approximately 57.7 million sq.m. from approximately 1,005.6 million sq.m. for the same period in 2024 to approximately 1,063.3 million sq.m., mainly due to the increase in revenue-bearing GFA from third parties resulted from the proactive expansion, and the conversion of the Group's reserved contracted GFA of the properties developed by Country Garden Holdings Company Limited ("**CG Holdings**" or "**CGH**") and its subsidiaries, joint ventures and associates into revenue-bearing GFA during the Period.

(II) Community value-added services

During the Period, the revenue from community value-added services increased by approximately 5.3% to approximately RMB2,103.9 million from approximately RMB1,997.8 million for the six months ended 30 June 2024, accounting for approximately 9.1% of the total revenue (for the same period in 2024: approximately 9.5%).

The increase in revenue from community value-added services was mainly attributable to:

(a) During the Period, the revenue from local living services increased by approximately 21.7% to approximately RMB1,288.8 million from approximately RMB1,058.8 million for the six months ended 30 June 2024.

(b) During the Period, the revenue from community media services decreased by approximately 50.5% to approximately RMB179.1 million from approximately RMB362.0 million for the six months ended 30 June 2024.

(c) During the Period, the revenue from home services increased by approximately 5.3% to approximately RMB309.9 million from approximately RMB294.4 million for the six months ended 30 June 2024.

(d) During the Period, the revenue from real estate brokerage services increased by approximately 6.7% to approximately RMB156.5 million from approximately RMB146.7 million for the six months ended 30 June 2024.

(e) During the Period, the revenue from community area services increased by approximately 24.8% to approximately RMB169.6 million from approximately RMB135.9 million for the six months ended 30 June 2024.

The increase in the revenue from community value-added services was mainly attributable to the growth of businesses such as liquor products, retail and new energy.

(III) Value-added services to non-property owners

During the Period, the revenue from value-added services to non-property owners decreased by approximately 17.8% to approximately RMB292.3 million from approximately RMB355.5 million for the six months ended 30 June 2024, accounting for approximately 1.3% of the total revenue (for the same period in 2024: approximately 1.7%).

The decrease in revenue from value-added services to non-property owners was mainly due to the continuous and proactive suppression of the transaction scale with related parties by the Group.

(IV) "Three Supplies and Property Management" Business

During the Period, the revenue from the "Three Supplies and Property Management" business includes the revenue arising from property management and other related services and heat supply services, among which, the revenue from property management and other related services increased by approximately 68.5% to approximately RMB4,156.0 million from approximately RMB2,467.2 million for the six months ended 30 June 2024, accounting for approximately 17.9% of the total revenue (for the same period in 2024: approximately 11.7%).

The revenue from heat supply services increased by approximately 4.4% to approximately RMB915.7 million from approximately RMB877.4 million for the six months ended 30 June 2024, accounting for approximately 3.9% of the total revenue (for the same period in 2024: approximately 4.2%).

The increase in the revenue from the "Three Supplies and Property Management" business was mainly due to the increase in revenue scale as a result of the conversion of certain associates and joint ventures into controlling subsidiaries through further acquisitions of their remaining equity interests by the Company's certain subsidiaries.

(V) City Services

During the Period, the revenue from city services decreased from approximately RMB2,170.0 million for the six months ended 30 June 2024 to approximately RMB1,778.5 million, representing a decrease of approximately 18.0%, accounting for approximately 7.7% of the total revenue (for the same period in 2024: approximately 10.3%).

The decrease in the revenue from city services was mainly due to the lower service prices for some projects and the withdrawal from several environmental sanitation projects by the Group.

(VI) Commercial Operational Services

During the Period, the revenue from commercial operational services decreased from approximately RMB331.6 million for the six months ended 30 June 2024 to approximately RMB296.8 million, representing a decrease of approximately 10.5%, accounting for approximately 1.3% of the total revenue (for the same period in 2024: approximately 1.6%).

The decrease in the revenue from commercial operational services was due to the Group's strategic withdrawal from several loss-making projects in order to optimize its business structure.

Costs

The Group's costs include (i) staff cost, (ii) cleaning cost, (iii) heat supply cost, (iv) maintenance cost, (v) utilities, (vi) greening and gardening cost, (vii) security expenses, (viii) cost of sales of goods, (ix) transportation cost, (x) office and communication cost, (xi) taxes and surcharges, (xii) employee uniform expenses, (xiii) depreciation and amortisation charges, (xiv) community activities cost, (xv) travelling and entertainment cost, (xvi) construction costs for infrastructure under service concession arrangements, (xvii) other labor outsourcing costs, and (xviii) others. During the Period, the costs were approximately RMB18,886.4 million, representing an increase of approximately 13.8% as compared to approximately RMB16,592.8 million for the six months ended 30 June 2024. The increase in costs was mainly due to combined impact of the increased amount of the related costs as a result of the growth in the Group's property management services, community value-added services and "Three Supplies and Property Management" business, exceeding the decreased amount of the cost related to value-added services to non-property owners, commercial operational services and city services business.

Gross Profit and Gross Profit Margin

During the Period, the overall gross profit decreased by approximately RMB154.3 million to approximately RMB4,299.1 million from approximately RMB4,453.4 million for the six months ended 30 June 2024, representing a decrease of approximately 3.5%.

During the Period, the overall gross profit margin decreased by 2.7 percentage points to approximately 18.5% from approximately 21.2% for the six months ended 30 June 2024. The decrease in overall gross profit margin was mainly due to the increase in capital investment to improve quality of projects, the impact of external adverse factors and the adjustments to business structure of the Group, with the gross profit margins of all businesses showing a decline of various extent.

(i) Property management services

During the Period, the gross profit margin of property management services decreased by 1.1 percentage points to approximately 21.8% from approximately 22.9% for the six months ended 30 June 2024.

The decrease in gross profit margin of property management services was mainly due to the increase in the capital investment made by the Group and lower profit margin of the new investment projects.

(ii) Community value-added services

During the Period, the gross profit margin of community value-added services decreased by 8.6 percentage points to approximately 30.4% from approximately 39.0% for the six months ended 30 June 2024.

The decrease in the gross profit margin of community value-added services was due to the Company's strategic layout and incubation of new value-added services requiring ongoing initial investments, and the impact from the cyclical downturns in certain industries, the gross profit margins of multiple community value-added services of the Group generally came under pressure. Specifically, (i) as corporate clients have scaled back their investment of resources, the unit price and gross profit margin of the media business have decreased. In the future, the Group will further explore the community-integrated marketing model and combine it with community cultural activities to improve efficiency of resource utilization; and (ii) despite maintaining revenue growth in the liquor business, gross profit margin faced downward pressure due to price volatility in the Baijiu market.

(iii) Value-added services to non-property owners

During the Period, the gross profit margin of value-added services to non-property owners increased by 6.6 percentage points to approximately 0.1% from approximately -6.5% for the six months ended 30 June 2024.

The increase in gross profit margin of value-added services to non-property owners was mainly due to the higher collection of payments from High-Risk Customers in this business segment during the Period as compared with the same period last year.

(iv) "Three Supplies and Property Management" Business

During the Period, for the "Three Supplies and Property Management" business, the gross profit margin of property management and other related services decreased from approximately 9.7% for the six months ended 30 June 2024 to approximately 7.9%, representing a decrease of 1.8 percentage points.

The decrease in the gross profit margin of the property management services and other related services under the "Three Supplies and Property Management" business was mainly due to changes in business structure.

During the Period, for the "Three Supplies and Property Management" business, the gross profit margin of heat supply services decreased from approximately 6.7% for the six months ended 30 June 2024 to approximately 6.6%, representing a decrease of 0.1 percentage point.

The gross profit margin of heat supply services under the "Three Supplies and Property Management" business remained stable.

(v) City Services

During the Period, the gross profit margin of city services decreased from approximately 16.0% for the six months ended 30 June 2024 to approximately 12.6%, representing a decrease of 3.4 percentage points.

The decline in the gross profit margin of city services was mainly due to the intensified market competition, which led to lower service prices for some projects, while pressure on the cost persisted, resulting in a double squeeze on profit margins.

(vi) Commercial Operational Services

During the Period, the gross profit margin of commercial operational services decreased from approximately 31.0% for the six months ended 30 June 2024 to approximately 25.9%, representing a decrease of 5.1 percentage points.

The decrease in the gross profit margin of commercial operational services was mainly due to the Group's proactive exit from certain loss-making projects, coupled with a time lag in cost adjustments.

General and Administrative Expenses

During the Period, general and administrative expenses were approximately RMB2,205.4 million, representing an increase of approximately 22.9% as compared with approximately RMB1,793.9 million for the six months ended 30 June 2024, which was mainly due to the increase in the number of projects under the Group's management and the expansion of scale of the "Three Supplies and Property Management" business. The percentage of general and administrative expenses increased by 1.0 percentage point from approximately 8.5% for the same period in 2024 to approximately 9.5%.

In addition, after excluding the expense of share options, the adjusted percentage of general and administrative expenses increased by 0.4 percentage point from approximately 8.6% for the same period in 2024 to approximately 9.0%.

Other Income

During the Period, other income was approximately RMB82.9 million, representing a decrease of approximately 29.4% as compared with approximately RMB117.5 million for the six months ended 30 June 2024.

The decrease in other income was mainly due to the decrease in government subsidy during the Period and dividend income generated from equity investments in certain entities as compared to the same period last year.

Other Losses — Net

During the Period, other losses — net were approximately RMB137.9 million, representing an expansion of approximately RMB18.2 million as compared with approximately RMB119.7 million for the six months ended 30 June 2024.

The increase in other losses — net was mainly due to the losses from disposal of subsidiaries during the Period.

Income Tax Expense

During the Period, income tax expense was approximately RMB332.1 million, representing a decrease of approximately 32.0% as compared to approximately RMB488.2 million for the six months ended 30 June 2024. The decrease in income tax expense was mainly due to the decrease in the total profit for the Period of the Group as compared with the same period last year.

Profit for the Period

During the Period, the net profit of the Group was approximately RMB1,002.6 million, representing a decrease of approximately 35.1% as compared to approximately RMB1,545.6 million for the six months ended 30 June 2024.

During the Period, the profit attributable to the owners of the Company was approximately RMB996.6 million, representing a decrease of approximately 30.8% as compared to approximately RMB1,440.4 million for the six months ended 30 June 2024.

During the Period, the profit attributable to the non-controlling interests of the Company was approximately RMB6.1 million, representing a decrease of approximately 94.2% as compared to approximately RMB105.2 million for the six months ended 30 June 2024.

During the Period, the core net profit* attributable to the owners of the Company was approximately RMB1,567.7 million, representing a decrease of approximately 14.8% as compared to approximately RMB1,840.0 million for the six months ended 30 June 2024.

Net Cash from Operating Activities during the Period

During the Period, the Group recorded net cash outflow from operating activities of approximately RMB875.2 million (net cash inflow generated of approximately RMB270.3 million for the six months ended 30 June 2024).

The Group recorded net cash outflow generated from operating activities, which was mainly due to (i) the decrease in new prepayment amounts during the current period, leading to a decline in prepaid business management revenue because of a series of initiatives to encourage advance prepayments by property owners by the end of 2024 in the view of impacts from cyclical prepayment patterns in property management services; (ii) the preliminary investments required for the expansion of the "Three Supplies and Property Management" business; and (iii) the year-on-year decrease in net profit during the Period, which led to a decrease in the cash inflow generated from operating activities as compared with the same period last year.

* Core net profit attributable to the owners of the Company excluding expenses of share options, unrealised gains or losses from financial assets at fair value through profit or loss, amortisation charges of intangible assets — contracts and customer relationships, insurance brokerage licenses and brands arising from mergers and acquisitions and impairment of goodwill and other intangible assets, impairment of loans to third parties pledged by equities, losses from disposal of subsidiaries, expected losses on external guarantee, impairment of receivables from related parties and fair value gains of contingent consideration related to performance guarantees.

The Equity Attributable to Owners of the Company

The equity attributable to owners of the Company increased from approximately RMB36,617.0 million as at 31 December 2024 to approximately RMB36,619.8 million as at 30 June 2025, representing an increase of approximately RMB2.8 million, which was mainly attributable to the combined effect of: (i) the increase in equity attributable to owners of the Company due to the total comprehensive income attributable to owners of the Company of RMB944.1 million for the Period; (ii) the decrease in the equity attributable to owners of the Company as a result of the declaration of the dividend for year 2024 of approximately RMB988.9 million during the Period; and (iii) the purchase of a total of 2,120,000 shares by the trustee entrusted by a designated subsidiary of the Company (the "**Trustee**") pursuant to the share award scheme through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect mechanisms during the Period, and the total consideration paid for the purchase of such shares, amounting to RMB11.1 million, had been deducted from equity attributable to owners of the Company.

Intangible Assets

The intangible assets of the Group mainly comprise goodwill arising from equity acquisitions, contracts and customer relationships, software assets, insurance brokerage licenses, brands and concession intangible assets.

As at 30 June 2025, the intangible assets of the Group were approximately RMB21,665.2 million, representing a decrease of approximately RMB497.1 million compared to approximately RMB22,162.3 million as at 31 December 2024, which was mainly due to the amortisation arising from the intangible assets of approximately RMB623.8 million during the Period.

Trade and Other Receivables

Trade and other receivables include trade receivables, other receivables, prepayments to suppliers and prepayments for other taxes.

As at 30 June 2025, the Group recorded net trade receivables of approximately RMB19,894.2 million, representing an increase of approximately RMB2,204.8 million compared to approximately RMB17,689.4 million as at 31 December 2024. This is mainly attributable to the progress of consolidated fees collection from each business, which shall be further enhanced, and the longer payment periods for customers in property management services and city services of the Group. Meanwhile, the significant increase in the revenue scale of the "Three Supplies and Property Management" business also resulted in the increase in the corresponding trade receivables.

As at 30 June 2025, the Group recorded trade receivables from CGH and its subsidiaries of approximately RMB2,244.8 million, representing a decrease of approximately RMB119.9 million compared to approximately RMB2,364.7 million as at 31 December 2024, and approximately RMB94.8 million of the total expected credit loss provision for the trade receivables from CGH and its subsidiaries was thus reversed accordingly.

The net other receivables was approximately RMB3,848.8 million as at 30 June 2025, representing an increase of approximately RMB185.6 million compared to approximately RMB3,663.2 million as at 31 December 2024, which was mainly due to the increase in the payments on behalf of property owners.

Contract Liabilities

The contract liabilities mainly arose from the advance payments made by customers for property management services and community value-added services, which are yet to be provided.

The contract liabilities decreased from approximately RMB8,245.3 million as at 31 December 2024 to approximately RMB7,768.5 million as at 30 June 2025, representing a decrease of approximately RMB476.8 million. The decrease in contract liabilities was mainly due to the fact that the amount of newly added contract liabilities during the Period was less than the amount converted into revenue.

Trade and Other Payables

Trade and other payables include trade payables, other payables, contingent consideration for business combination, payroll payables and other tax payables.

Trade payables primarily represent payables for goods or services that have been acquired in the ordinary course of business from suppliers, including purchase of goods, materials and utilities as well as purchase from sub-contractors.

As at 30 June 2025, trade payables of the Group were approximately RMB9,498.0 million, representing an increase of approximately RMB863.8 million compared to approximately RMB8,634.2 million as at 31 December 2024, primarily due to the increase in the costs of sales resulted in the increase in the procurement costs of related goods and material, labor outsourcing costs and utility fees.

Other payables primarily include (i) deposits from property owners in relation to interior decorations; (ii) temporary receipts of fees from property owners (mainly consisting of utilities fees collected from property owners and income generated from common area value-added services that belongs to property owners); (iii) provision for financial guarantee; (iv) outstanding considerations payable for business combinations; (v) dividend payables; and (vi) accruals and others (mainly in relation to payables to third parties and advances).

Other payables increased from approximately RMB6,021.3 million as at 31 December 2024 to approximately RMB7,134.2 million as at 30 June 2025, primarily due to the increase in the dividends payable.

Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for the Shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to the Shareholders, issue new shares, or sell assets to reduce debt.

The Group monitors its capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total interest-bearing debt less cash and cash equivalents.

As at 30 June 2025, the bank and other borrowings of the Group amounted to approximately RMB858.2 million (31 December 2024: approximately RMB870.3 million). All borrowings due during the Period were repaid on time.

As at 31 December 2024 and 30 June 2025, the gearing ratio of the Group was maintained at net cash position.

Liquidity, Financial and Capital Resources

As at 30 June 2025, the bank deposits (including time deposits and restricted bank deposits) and structured deposits of the Group were approximately RMB16,472.8 million, representing a decrease of approximately RMB1,705.8 million as compared with approximately RMB18,178.6 million as at 31 December 2024. The bank deposits and structured deposits were denominated in the following currencies:

	30 June 2025		31 December 2024	
	(RMB'000)	***(%)***	*(RMB'000)*	*(%)*
RMB	**12,157,766**	**73.8**	13,833,239	76.1
HKD	**2,124,173**	**12.9**	172,271	0.9
Other currencies	**2,190,871**	**13.3**	4,173,092	23.0
	16,472,810	**100.0**	18,178,602	100.0

Out of the bank deposits of the Group, there are: (i) time deposits of approximately RMB4,841.6 million (31 December 2024: approximately RMB2,281.4 million); and (ii) restricted bank deposits of approximately RMB446.7 million (31 December 2024: approximately RMB560.0 million). The restricted bank deposits mainly represented judicially frozen funds, cash deposits in bank as performance security for property management services according to the requirements of the local government authorities, and the deposits made as performance security for business contracts of Manguo and Fujian Dongfei Environment Group Co., Ltd. (福建東飛環境集團有限公司) ("**Fujian Dongfei**"), the subsidiaries of the Group. The structured deposits of the Group amounted to approximately RMB1,461.4 million (31 December 2024: nil).

As at 30 June 2025, the net current assets of the Group were approximately RMB12,044.9 million (31 December 2024: approximately RMB13,896.0 million). The current ratio (current assets/current liabilities) of the Group was approximately 1.4 times (31 December 2024: 1.5 times).

Key Risk Factors and Uncertainties

The following content lists out the key risks and uncertainties confronted by the Group. It is a non-exhaustive list and there may be other risks and uncertainties further to the key risk areas outlined below.

Industry Risk

The Group's businesses are affected by the overall economy, market conditions and the policies and regulations of the property management industry. When there are changes in economic conditions that lead to fluctuations in the consumption levels and purchasing power of businesses and individuals, these fluctuations may affect the Group's business operations and collection of payments for businesses. When there are significant changes in the PRC real estate market that exceed expectations, these changes may affect the growth of the Group's revenue-bearing GFA and related revenue growth. When the government adjusts policies and regulations for property management industry, these adjustments may have a significant impact on the business strategies of property enterprises (including the Group), service offerings and charging standards.

Business Risk

The Group's ability to maintain or improve the Group's current level of profitability depends on the Group's ability to control operating costs (particularly labour costs) and the Group's profit margins and results of operations may be materially and adversely affected by the increase in labour or other operating costs; the Group may not procure new property management services contracts as planned or at desirable pace or price; the Group may not be able to collect property management fees from customers and as a result, may incur impairment losses on receivables; termination or non-renewal of a significant number of the Group's property management services contracts could have a material adverse effect on the business, financial position and results of operations.

Foreign Exchange Risk

The Group's businesses were principally located in the PRC. Except for bank deposits and trade receivables, the Group was not subject to any other material risk directly relating to foreign exchange fluctuations. The management will continue to monitor the foreign exchange exposure, take prudent measures and develop hedging strategies as appropriate to reduce foreign exchange risks.

Employees and Remuneration Policies

As at 30 June 2025, the Group had 217,692 employees (31 December 2024: 214,346 employees). During the Period, the total staff costs were approximately RMB8,557.5 million.

The remuneration package of the employees includes salary, bonus and other cash subsidies. Employees are rewarded on a performance-related basis, together with reference to the profitability of the Group, remuneration benchmarks in the industry and prevailing market conditions, in accordance with the policy of the Group on compensation and welfare.

The Group is subject to social insurance contribution plans or other pension schemes prescribed by the local governments and is required to pay on behalf of its employees, monthly social insurance funds covering pension fund, medical insurance, work-related injury insurance, maternity insurance and unemployment insurance, and the housing provident fund, or to contribute regularly to other mandatory provident fund schemes on behalf of its employees.

Share Schemes

On 9 July 2024, the Shareholders of the Company approved and adopted a share option scheme (the "**2024 Share Option Scheme**"). On 22 July 2024, the Company made an offer to grant a total of 225,350,000 share options to 60 employee participants under the terms of the 2024 Share Option Scheme, with the exercise price of the share options being HKD5.01 per share. As at 30 June 2025, the number of share options available for grant to subscribe for the corresponding shares under the 2024 Share Option Scheme was 111,652,033.

The Board shall have the power to manage the 2024 Share Option Scheme and its decisions, interpretations or effects on all matters relating to the 2024 Share Option Scheme shall be final and binding on all parties. The Board shall also have the power to authorize any Director to exercise any or all of the powers to manage the 2024 Share Option Scheme through passing of resolutions, including but not limited to the selection of eligible participants and the grant of share options to grantees under the 2024 Share Option Scheme, subject to the terms and conditions stipulated in the 2024 Share Option Scheme.

As at the date of this announcement, pursuant to the share award scheme adopted on 18 November 2024 (the "**Share Award Scheme**"), in accordance with the rules of the Share Award Scheme and the terms of the trust deed, a designated subsidiary of the Company entrusted the Trustee to purchase a total of 109,000,000 shares in the market through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect at a total consideration (including transaction costs) of approximately RMB557 million, and the number of the shares purchased has reached the upper limit of the scheme.

As of the date of this announcement, the Company's performance management working group is formulating the grant plan (including the list of eligible participants, amounts and conditions) and the vesting plan of the share awards, which are subject to final approval by the Board.

Employee Training and Development

CG Services focuses on building a comprehensive cultivation system to conduct in-depth research into the key competencies required at each stage of employees' career development. By focusing on enhancing capabilities and professional development, the Company strengthened its backup talent pipeline, and meticulously crafted a multi-dimensional and multi-tier talent cultivation system to support employees in boosting their career competitiveness.

In order to enhance the ability of employees to cope with the current business changes, and to more efficiently support the business development, the Company has designed regular learning programmes such as "One Moment (一刻堂)" and "Regular Meeting Learning (例會學習)", achieving vertical integration of operational capabilities. At the same time, based on its online learning platform "BIXUETANG College (碧學堂)", the Company meets the daily learning needs of the employees of the Group by organizing themed learning months and introducing external courses. As at 30 June 2025, "BIXUETANG College" accumulatively launched 1,712 online courses and operated 8,472 learning programmes, with average learning hours per employee of 76.46 hours.

In order to enhance the ability of core management cadres to solve future business challenges, the Company designed talent cultivation projects such as the "Rising Stars Programme (新銳計劃)", "Cornerstone Programme (基石計劃)", "Leading Excellence Programme (領卓計劃)", "Leadership Programme (領軍計劃)" and "Defense Officer Program (碧防官計劃)" for key groups, and comprehensively enhanced the business and management capabilities of employees by constructing key position profiles and evaluation systems, identifying shortcomings in their abilities, and matching them with training and learning programmes.

Charge on Assets

As at 30 June 2025, several subsidiaries of the Group carried out borrowing and sale and leaseback financing loan business with banks and financial leasing companies to meet their respective daily operational needs. These were mainly secured by rights of collection of certain of their respective city service projects and certain equipment.

To address exchange rate fluctuations and lock in earnings, as at 30 June 2025, an amount of RMB1,906,441,000 (as at 31 December 2024: nil), which is included in time deposits, was pledged for forward exchange contracts.

Contingent Liabilities

Please refer to note 14 to the interim financial information in this announcement for details of contingent liabilities as at 30 June 2025, which were contingent considerations arising from business combinations. Save as disclosed, the Group did not have any other contingent liabilities.

External Guarantee

As at 30 June 2025, save as disclosed in note 16 to the interim financial information in this announcement, the Group did not have any other external guarantee.

Material Acquisitions, Disposals and Significant Investments

During the Period, the Group had no material acquisitions or disposals and no individually significant investments.

Interim Dividends

The final dividend of the Company for the year ended 31 December 2024 was RMB13.52 cents (equivalent to HKD14.76 cents) per share and the special dividend of RMB16.09 cents (equivalent to HKD17.57 cents) per share, totalling approximately RMB988,945,000, were approved at the annual general meeting on 23 May 2025 and will be paid in Hong Kong Dollar in cash on or around 29 August 2025.

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

MAJOR EVENTS DURING THE PERIOD

Intention to Conduct On-market Share Repurchase and/or Purchase

References are made to two announcements of the Company both dated 18 November 2024 in relation to the intention to conduct on-market share repurchase and the adoption of a new share award scheme (the "**Announcements**"). Unless otherwise defined herein, the capitalized terms used in this section shall have the same meanings as those defined in the Announcements.

On 27 March 2025, the Board announced that, the Company plans to use the Group's existing available cash reserve of not less than RMB500 million to repurchase and/or purchase Shares in the open market within one year after 27 March 2025, depending on the market conditions and the actual needs of the Company at the relevant time. Please refer to the announcement of the Company dated 27 March 2025 for further details. As of the date of this announcement, the Company repurchased a total of 9,089,000 Shares of the Company on the Stock Exchange at a total consideration of HKD59,189,830 (before all the relevant expenses).

Connected Transaction – Provision of Financial Assistance

Unless otherwise defined herein, the capitalized terms used in this section shall have the same meanings as those defined in the announcement of the Company dated 6 May 2025.

On 6 May 2025 (after trading hours), the Company (as the Lender) entered into the Loan Agreement with Concrete Win Limited ("**Concrete Win**") and Fortune Warrior Global Limited ("**Fortune Warrior**") (as the Borrowers), pursuant to which the Company agreed to provide revolving loan facilities in an aggregate principal amount of RMB1,000,000,000 (or HKD equivalent) to Concrete Win and Fortune Warrior.

On 8 May 2025, the Company (as the Chargee) further entered into the Deed of Share Charge with Concrete Win and Fortune Warrior (as the Chargors) in respect of the Secured Assets, including a total of 543,695,233 Shares of the Company beneficially held by Concrete Win and Fortune Warrior, to secure the repayment and settlement of the principal and interest of the loan under the Loan Agreement and the Secured Debts. As at the date of this announcement, registration of the relevant share charge has been fully completed, and the Company has granted the loan above to the Borrowers. Please refer to the announcement of the Company dated 6 May 2025 for further details.

Announcement made pursuant to Rules 13.51B(2) and 13.51(2) of the Listing Rules

It has come to the attention of the Company that Country Garden Holdings Company Limited ("**CG Holdings**") issued an announcement on 21 May 2025 (the "**CG Holdings Announcement**") in relation to, among other things, the receipt of notices by Ms. YANG Huiyan ("**Ms. YANG**"), a non-executive director and the chairman of the Company, from the Shanghai Stock Exchange (the "**SSE**") and the Shenzhen Stock Exchange (the "**SZSE**") that as CG Holdings and its subsidiary Country Garden Real Estate Group Co., Ltd. failed to timely disclose their 2024 interim reports in accordance with the relevant bonds listing rules of the SSE and the SZSE, each of the SSE and the SZSE made the decision to publicly reprimand Ms. YANG and other named persons respectively, and recorded the decision in their integrity file database.

The Board has made enquiries with Ms. YANG in relation to the above matter and reviewed the relevant letters of the decision of public reprimand. As stated in the CG Holdings Announcement, the relevant non-compliance was caused by the failure of CG Holdings and its subsidiaries to complete the audit of 2024 interim results in a timely manner due to objective reasons and was not due to the failure of Ms. YANG in discharging her duties.

In addition, such non-compliance is not related to the Group, and does not and will not have any material adverse impact on the businesses and/or operations of the Group. Therefore, the Board (except Ms. YANG) believes that there is no reason to doubt the integrity and ability of Ms. YANG, and that it is appropriate for her to continue to serve as a non-executive director and the chairman of the Company. Please refer to the announcement of the Company dated 23 May 2025 for further details.

Amendments to the Terms of Reference of the Nomination Committee

The Stock Exchange reviews the corporate governance framework from time to time to ensure that it remains fit for purpose and maintains investors' confidence in the market. The Stock Exchange published the consultation conclusions on its review of the Corporate Governance Code and related provisions of the Listing Rules in December 2024, with the relevant corporate governance enhancements taking effect from 1 July 2025.

In the above context, the Company amended the terms of reference of the Nomination Committee, stipulating that the Nomination Committee shall have at least one member of a different gender and the duties of the Nomination Committee shall include (i) assisting the Board in maintaining a Board skills matrix, (ii) assessing each director's time commitment and contribution to the Board at least annually, as well as the director's ability to discharge his or her responsibilities effectively, taking into account criteria including professional qualifications and work experience, existing directorships of issuers listed on the Main Board or GEM of the Stock Exchange and other significant external time commitments of such director and other factors or circumstances relevant to the director's character, integrity, independence and experience, and disclosing its assessment pursuant to the Listing Rules (including disclosure in the Company's corporate governance report as appropriate), and (iii) supporting the Company's regular evaluation of the Board's performance at least every two years etc. Please refer to the terms of reference of the Nomination Committee published by the Company on 30 June 2025 for further details.

EVENTS SUBSEQUENT TO THE REPORTING PERIOD

There was no significant event affecting the Group occurred after 30 June 2025 and up to the date of this announcement.

AUDIT COMMITTEE

The Company has established an audit committee in compliance with Rule 3.21 of the Listing Rules, where at least one member possesses appropriate professional qualifications in accounting or related financial management expertise in discharging the responsibility of the audit committee. The membership of the audit committee consists of four independent non-executive Directors, namely, Mr. RUI Meng, Mr. MEI Wenjue, Mr. CHEN Weiru and Mr. ZHAO Jun. Mr. RUI Meng is the chairman of the committee. The primary duties of the audit committee include assisting the Board in providing an independent view of the effectiveness of the Group's financial reporting process, internal control and risk management system and overseeing the audit process.

The audit committee has reviewed the unaudited interim results for the Period and the significant accounting policies and standards adopted by the Group and reviewed the risk control and internal audit report submitted by the management. In addition, the independent auditor of the Company, Deloitte Touche Tohmatsu, has reviewed the unaudited interim financial information for the Period 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.

CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the code provisions in the Corporate Governance Code ("**Corporate Governance Code**") contained in Appendix C1 to the Listing Rules as its own code of corporate governance.

During the six months ended 30 June 2025, the Company had complied with all applicable code provisions set out in the Corporate Governance Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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

The Company has made specific enquiries to all Directors on whether the Directors have complied with the required standard as set out in the Model Code during the six months ended 30 June 2025 and all Directors have confirmed that they have complied with the Model Code and the Securities Dealing Code throughout the Period. No incident of non-compliance was found by the Company during the six months ended 30 June 2025. Relevant employees who are likely to be in possession of inside information of the Group are also subject to compliance with written guidelines on no less exacting terms than the Model Code.

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

During the Period, the Company repurchased a total of 7,552,000 Shares on the Stock Exchange at a total consideration of HKD49,143,390 (before all the relevant expenses). All the Shares repurchased will be subsequently cancelled but have not yet been cancelled during the Period. Details of the Shares repurchased during the Period were as follows:

Month	**Number of Shares repurchased**	**Purchase price per Share**		**Total consideration (before relevant expenses)**
		Highest	**Lowest**	
		(HKD)	*(HKD)*	*(HKD)*
May 2025	3,475,000	6.76	6.58	23,038,360
June 2025	4,077,000	6.67	6.21	26,105,030
	7,552,000			49,143,390

The purpose of such Share repurchase was to increase the returns for the Shareholders and to reflect the Company's confidence in its business prospects, and was beneficial to all Shareholders.

During the Period, pursuant to the Share Award Scheme, the Trustee has purchased an aggregate of 2,120,000 Shares at a total consideration (including transaction cost) of approximately RMB11.1 million through the Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect mechanisms. The award shares will be held in trust by the Trustee on behalf of the relevant selected participants until vesting.

As at 30 June 2025, the total number of Shares in issue of the Company was 3,343,376,142 Shares. Save as disclosed above, during the Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including any sale or transfer of treasury shares (as defined in the Listing Rules)). As at 30 June 2025, the Company did not hold any treasury share.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement has been published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.bgyfw.com). The Company's 2025 interim report will be despatched to its Shareholders based on the means of receipt and election of language selected by the Shareholders and published on websites of the Stock Exchange and the Company on or before 30 September 2025.

ACKNOWLEDGMENTS

The Company would like to express its deepest gratitude to the Board, the management of the Group and all employees for their hard work, loyal service and contribution. It also thanks the Shareholders, property owners and customers, governments, suppliers, business partners and professional consultants for their continuous support to the Group.

By order of the Board
Country Garden Services Holdings Company Limited
XU Binhuai
President and Executive Director

Foshan, China, 27 August 2025

As at the date of this announcement, the executive directors of the Company are Mr. XU Binhuai (President) and Mr. XIAO Hua. The non-executive director of the Company is Ms. YANG Huiyan (Chairman). The independent non-executive directors of the Company are Mr. MEI Wenjue, Mr. RUI Meng, Mr. CHEN Weiru and Mr. ZHAO Jun.