

MISSION

Lifelong caring for you,
heartwarming service to city

CORE VALUE

Inclusion and diversity;
Relentless pursuit of excellence;
Mutual benefit and common progress;
Value creation with concerted efforts

VISION

Become a preeminent quality
service provider in China





Corporate Profile

A-Living Smart City Services Co., Ltd. (“A-Living” or the “Company”, together with its subsidiaries, collectively, the “Group”) positions itself as a mid- to high-end provider of nationwide comprehensive property management services. The Group dedicates to providing high-quality and full-scenario services to property owners, undertaking the corporate mission of “becoming the preeminent quality service provider in China”. With the continuous business expansion covering the whole industry chain, the Group is proactively innovating and exploring the value-added service ecosystem. Currently, the Group has developed four business lines, namely, property management services, property owners value-added services, city services and extended value-added services, with a nationwide coverage of 31 provinces, municipalities and autonomous regions, and has developed a balanced business portfolio layout covering residential properties, public buildings and commercial and office buildings. As at 30 June 2024, the Group’s total contracted gross floor area (“GFA”) increased to approximately 749.8 million sq.m. and the total GFA under management reached 576.7 million sq.m.

On 9 February 2018, the Group successfully spun off from Agile Group Holdings Limited (雅居樂集團控股有限公司) (“Agile Holdings”, and together with its subsidiaries, “Agile Group”) and became the first property management company in the People’s Republic of China (the “PRC” or “China”) that officially spun off from a red-chip holding company to list on the H-Share market.



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Board of Directors

Mr. Chan Cheuk Hung* (*Co-chairman*)
Mr. Huang Fengchao* (*Co-chairman*)
Mr. Li Dalong* (*President (General Manager) and Chief Executive Officer*)
Mr. Chen Siyang* (*Vice President*)
Ms. Yue Yuan** (*appointed on 29 May 2024*)
Mr. Xu Yongping** (*retired on 29 May 2024*)
Mr. Wang Gonghu#
Mr. Weng Guoqiang#
Mr. Li Jiahe#

* Executive Directors

** Non-executive Directors

Independent Non-executive Directors

Board Committees

Audit Committee

Mr. Wang Gonghu (*Committee Chairman*)
Mr. Weng Guoqiang
Mr. Li Jiahe

Remuneration and Appraisal Committee

Mr. Weng Guoqiang (*Committee Chairman*)
Mr. Huang Fengchao
Mr. Li Dalong
Mr. Wang Gonghu
Mr. Li Jiahe

Nomination Committee

Mr. Huang Fengchao (*Committee Chairman*)
Mr. Li Dalong
Mr. Wang Gonghu
Mr. Weng Guoqiang
Mr. Li Jiahe

Risk Management Committee

Mr. Huang Fengchao (*Committee Chairman*)
Mr. Chan Cheuk Hung
Mr. Li Dalong
Mr. Wang Gonghu
Mr. Li Jiahe

Supervisory Committee

Mr. Liu Jianrong (*President of the Supervisory Committee, Employee representative Supervisor*)
Ms. Huang Zhixia (*Employee representative Supervisor*)
Mr. Wang Weiqiong (*Shareholder representative Supervisor*)
(*appointed on 29 May 2024*)
Ms. Zhang Pingting (*Shareholder representative Supervisor*)
(*retired on 29 May 2024*)
Mr. Zheng Jiancheng (*External Supervisor*)
Mr. Wang Shao (*External Supervisor*)

Joint Company Secretaries

Mr. Huang Jiayi
Mr. Li Kin Wai

Authorised Representatives

Mr. Li Dalong
Mr. Huang Jiayi

Auditor

Grant Thornton Hong Kong Limited

Legal Advisors

as to Hong Kong law:

Sidley Austin

as to PRC law:

King & Wood Mallesons

Principal Bankers

Bank of China, Guangzhou Zhujiang Branch
 Industrial and Commercial Bank of China,
 Zhongshan Sanxiang Wenchang Branch
 Industrial and Commercial Bank of China,
 Lingshui Branch
 Agricultural Bank of China, Sanxiang Branch
 Agricultural Bank of China, Guangzhou Zhujiang Branch
 China Construction Bank, Guangzhou Huacheng Branch

Principal Place of Office in the PRC

35/F, Agile Center
 26 Huaxia Road
 Zhujiang New Town
 Tianhe District, Guangzhou
 Guangdong Province, PRC
 Postal Code: 510623

Registered Office in the PRC

Management Building, Xingye Road
 Agile Garden, Sanxiang Town
 Zhongshan
 Guangdong Province, PRC

Listing Information

Equity Securities

The Company's ordinary shares include only overseas listed shares (H shares) (the "Share").

Overseas listed shares (stock code: 3319) are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange").

Despatch of Corporate Communications

The Company will send printed copies of this interim report to shareholders of the Company (the "Shareholders") in accordance with their indicated preference. This interim report is also published on the Company's website (www.agileliving.com.cn) and the Hong Kong Stock Exchange's website (www.hkex.com.hk). Registered Shareholders may at any time choose to change their choice of language or means of receipt of the Company's corporate communications free of charge by filling the specified forms and send to the Company's H share registrar, Tricor Investor Services Limited or by email to 3319-ecom@hk.tricorglobal.com. For Shareholders whose Shares are being held through intermediaries, they should inform their respective intermediaries to effect the change.

For environmental protection reasons, the Company encourages the Shareholders to view this interim report posted on the aforesaid websites where possible.

Principal Place of Business in Hong Kong

17/F, Far East Finance Centre
 16 Harcourt Road
 Hong Kong

H Share Registrar

Tricor Investor Services Limited
 17/F, Far East Finance Centre
 16 Harcourt Road
 Hong Kong
 Telephone: (852) 2980 1333
 Facsimile: (852) 2861 1465

Investor Relations

Investor Relations Department
 E-mail: ir@agileliving.com.cn
 Telephone: (852) 2740 8921

Website

www.agileliving.com.cn



Summary of the Consolidated Income Statement

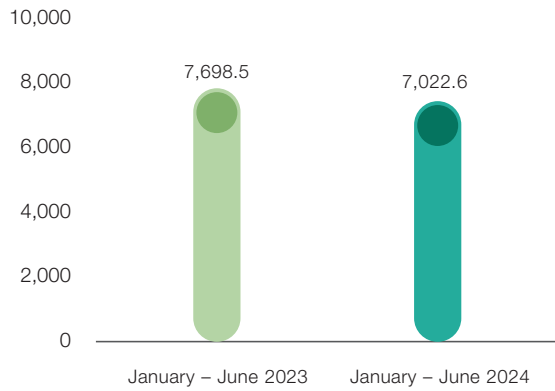
	For the six months ended 30 June	
	2024	2023
Revenue (RMB million)	7,022.6	7,698.5
Gross profit (RMB million)	1,193.4	1,573.6
Gross profit margin	17.0%	20.4%
Net (loss)/profit (RMB million)	-1,532.3	951.5
Net profit margin	-21.8%	12.4%
(Loss)/profit attributable to shareholders of the Company (RMB million)	-1,634.2	839.0
Basic (loss)/earnings per share (RMB)	-1.15	0.59

Summary of the Consolidated Balance Sheet

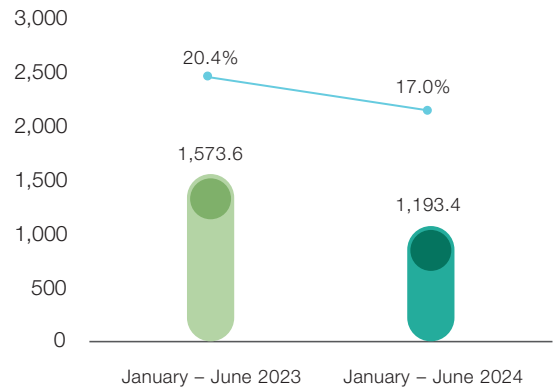
	As at	As at
	30 June	31 December
	2024	2023
Total assets (RMB million)	21,900.4	24,050.6
Cash and cash equivalents (RMB million)	3,042.7	4,074.9
Shareholders' equity (RMB million)	12,877.0	14,449.1
Return on shareholders' equity (ROE)*	-16.6%	3.6%
Total liabilities/total assets	41.2%	39.9%

* Profit attributable to shareholders of the Company for the twelve months ended 30 June 2024 is adopted for calculation of ROE as at 30 June 2024.

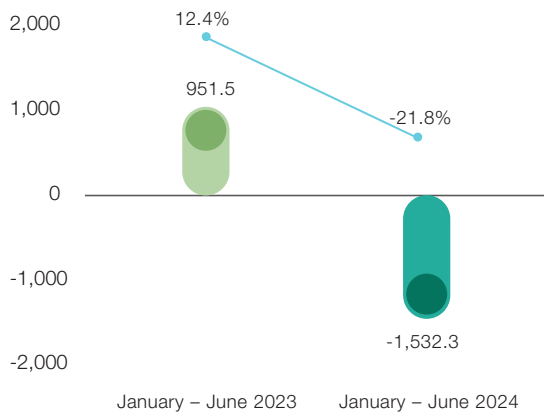
Revenue
(RMB million)



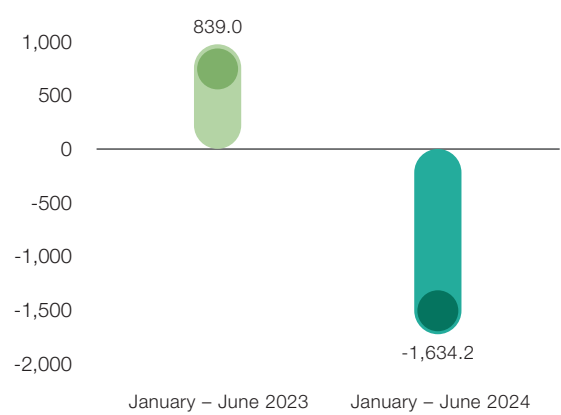
Gross profit and gross profit margin
(RMB million)/%



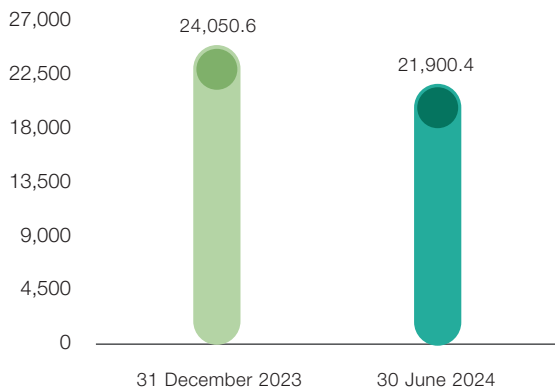
Net profit and net profit margin
(RMB million)/%



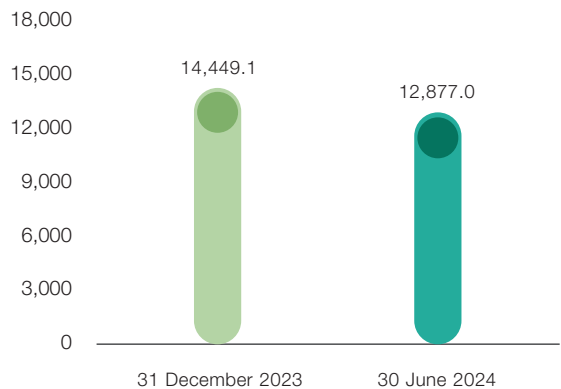
Profit attributable to the Shareholders of the Company
(RMB million)



Total assets
(RMB million)



Shareholders' equity
(RMB million)



Chairman's Statement

Chan Cheuk Hung

Co-chairman of the Board

Huang Fengchao

Co-chairman of the Board



Dear Shareholders,

We are pleased to present the unaudited consolidated results of the Group for the six months ended 30 June 2024 (the "Period").

In the first half of 2024, amidst the increasingly complicated and challenging global economic environment and geopolitical landscape that were fraught with instability, China's economy experienced a moderate recovery, maintaining overall stability while making steady progress. The Chinese government issued a series of favorable policies during the first half of the year to guide the real estate market to healthy and orderly development. However, the property market was, in general, still going through a period of deep correction. Both the property development and sales were sluggish, and the loosening regulatory policies had yet to yield effect while the

consumer confidence had yet to recover. The property management industry was affected by the volatility in both the macro-environment and the upstream real estate market. Limited supply, together with the changes in property owners' demand, slowed down the growth rate of property management companies. The market became more divergent as competition further intensified. In the current economic environment, institutions and property owners are more cautious about expenses and lean towards cost-effective services with stable service quality. They also have higher requirements for property management service providers. Property management companies have gradually shifted away from the pursuit of rapid growth in business scale and profits and refocused on the pursuit of the quality of service and operation as well as brand reputation.

Business Review

Despite the complex external operating environment and the impact from the real estate market, all the employees of the Group took on the challenges, enabling the business operations to remain stable overall. Facing the new environment, the Group further adjusted its business strategies, consolidated its core business units and improved service quality during the Period, taking great care to ensure both the stability of existing projects and operational efficiency. It also pursued the quality expansion of business and maintained the scale as one of its mainstays. Meanwhile, the Group stepped up fee collection by various means and strived to overcome the temporary impact resulting from the environment and some non-business factors. Its recurring business units still demonstrated some resilience.

During the Period, the Group recorded revenue of RMB7,022.6 million, gross profit of RMB1,193.4 million and net loss of RMB1,532.3 million. Loss attributable to the shareholders of the Company (the "Shareholders") was RMB1,634.2 million and the basic loss per share was RMB1.15. As of 30 June 2024, the gross floor area ("GFA") under management and contracted GFA of the Group were 576.7 million sq.m. and 749.8 million sq.m. respectively, encompassing residential properties, public buildings and commercial and office buildings.

In the new market landscape, service quality and reputation are the keys to the long-term development of property management companies. During the Period, the Group fully refocused on its original aspiration and attached great importance to property owners' satisfaction, with zero tolerance for problems concerning service quality. It continued to increase investment in improving quality, focused on developing community culture, and maintained good relationships with residents. The Group's management team and senior management of regional offices went to the front line of the property management projects and comprehensively reviewed services through on-site inspections. This allowed them to find and rectify problems in a timely manner, thereby enabling efficient management and empowerment. Meanwhile, the management collected property owners' opinions face-to-face through on-site interviews to fully understand their demands regarding the services and to raise the level of their satisfaction. In the first half of the year, the Group organized more than 3,000 community cultural activities in more than 100 cities nationwide, covering various stakeholders in the community, society and the environment. The Group further developed the model of "building the community through the joint efforts of five parties", consolidated the primary-level governance capabilities, and fostered community spirit and mutual assistance in the neighborhoods. This allowed the Group to fully fulfill its corporate social responsibility by safeguarding the community and protecting the environment.

Meanwhile, the Group continued to devote more resources and efforts to the services provided to primary level during the Period, and forged ahead with the comprehensive upgrade and renewal of the environment and facilities. For instance, it carried out targeted rectification of problems for elevators, checked and eliminated safety hazards, raised the standard of elevator repair and maintenance, and improved the elevator safety management system. In the first half of the year, the level of the overall customer satisfaction at residential property projects was raised, with significant decreases in the number of major risks and hazards. In addition, the Group continued to improve standardization by compiling and revising its internal classification and standard grading of services, and participated in the preparation of the group standards for the national "Residential Property Service Standards" to ensure service quality. In terms of risk prevention, the Group gradually improved the regular risk reporting and the management mechanism with a focus on key projects, and concentrated resources to tackle difficult projects, thus ensuring the successful renewal of contracts for existing key projects and safeguarding the Group's business scale. On the premise of high-quality services, the Group has taken multiple measures to step up the collection of fees and payments and has proactively solved the remaining issues to ensure a stable cash flow.

Market expansion is an important driving force for the Group's long-term development. Although market opportunities were growing overall, the supply of newly developed residential properties has shrunk and risks have increased. The market shares have further concentrated to large-scale property companies and in high-tier cities. Property management companies with different backgrounds are actively seeking opportunities for market-oriented development, and competition for market expansion has intensified. The Group adheres to the core of market-oriented development strategy, adjusts its business expansion strategy in a timely manner, shifts away from growth in business scale to prioritizing quality, focuses on the conversion of projects and operation quality, expands the scope of property types for management, adopts flexible models for cooperation, and proactively responds to the new competitive landscape. During the Period, the Group consolidated its advantages in regions where it had competitive advantages and in the non-residential property sector based on its city classification and product grading strategies, increased its efforts to develop the markets in key regions and for non-residential property services. It won a number of bids for public building projects such as the comprehensive management and maintenance services for Huaqiao University Quanzhou Campus, Guangdong Provincial Public Security Bureau and Shenzhen Lianhuashan Park, and secured large-scale, integrated commercial and office projects such as Qingdao Sino-German Future City Doctoral Village Phase II. It continued to secure the best projects to expand its residential property service business and actively sought opportunities in the market for managing existing properties, and won contracts for numerous high-quality residential property projects in Shanghai and the Guangdong-Hong Kong-Macao Greater Bay Area.

In terms of business development along the value chain of the industry, the Group focused on sustainable and high-quality core businesses, and continued to optimize its business portfolio. For its value-added services for property owners, the Group focused on the needs of clients, adhered to the asset-light model, continuously adjusted its business strategy and prioritized profitability. In community-based living services, the Group optimized its product mix, focused on high-value core categories, improved its standardized product system, enriched the matrix of flagship products, and focused on strengthening sales channels in communities. For value-added services to institutions, the Group deepened its industrialized operation capabilities, built up the market expansion capabilities, and achieved quality business operation. Meanwhile, certain products, which were affected by the economic environment and the upstream real estate sector, adopted flexible business strategies, adjusted the allocation of resources in a timely manner, and strictly controlled operating risks. In the segment of city services, the Group focused on improving both the fee collection and profitability, continued to optimize and adjust the project portfolio, concentrated resources on economically-developed areas and high-quality projects, and actively sought business opportunities, so as to establish a high-quality business model. In the first half of the year, the Group leveraged its economies of scale and improved its professional service capabilities. It won a bid for the environmental sanitation service project of the Shahe Subdistrict Office, Nanshan District, Shenzhen, and made a breakthrough in greening and maintenance projects, thus consolidating its advantages in cities where it already had business presence and manifested its economies of scale.

The Group also adjusted and upgraded the model for business operation and management, as well as the informatization, in a timely manner in order to flexibly respond to new market changes and fully support the business development. During the Period, the Group further streamlined its management structure, clarified the functions of the three-tier management structure and the complementary roles of its regional offices and city companies. It enhanced the professionalism of its different operations such as engineering equipment, steward service and procurement, reasonably reduced costs and increased efficiency to improve per capita efficiency, and maintained the administrative expense ratio at a low level. In terms of organizational integration, the Group adheres to “region-specific strategies” and “enterprise-specific strategies”. On the premise of steadily improving operational efficiency, the Group continued to optimize its post-acquisition management system, strengthened targeted management and assistance for member companies, and further facilitated the mobility of management talents between the headquarters and member companies so as to achieve deep integration and precise, mutual empowerment between organizations. In terms of informatization, the Group continued to promote the informatization of management systems for business operations, finance, human resources, and fee charging at the member companies and the comprehensive upgrading of the master data system, thereby enabling unified management of the projects' information across the entire Group. In terms of refined operations, the Group refined its project management model, made an overall assessment of the projects under management, concentrated resources on the quality improvement at those projects, developed its business selectively and continued to optimize its centralized procurement and supplier management.

Prospect

Although the global and Chinese economies are gradually recovering and improving, both the internal and external environments remain complicated and uncertain. The Group will refocus on its original aspiration, develop with its pragmatic approach, adhere to a high-quality development strategy, maintain the service quality as the core of its operation, innovate and seek breakthroughs, actively respond to the new normal after the in-depth adjustment of the real estate sector, strengthen its business fundamentals and leading advantages, and make a breakthrough in the new competitive landscape of the property management market. The Group will remain unswervingly client-centric and market-oriented, cherish its hard-won business fundamentals, continue to increase the service value, enhance customer stickiness with professional and diversified services, and manifest professionalism through high-quality services. Meanwhile, the Group will remain alert to market trends, seek breakthroughs under the new situation, strengthen the development of its businesses along the value chain of the industry with high quality, give full play to the value of innovation, and work as a cohesive force to achieve sustainable development.

Quality, reputation and professional capabilities will be the key to success in the competition and stand out from peers of property management industry in the future. Service quality is the lifeline for enterprises' survival and development. The Group will spare no effort to improve quality, consolidate and optimize its tiered service standard system, enhance front-line service capabilities at the primary level, establish and strengthen a regular mechanism for quality inspections, and ensure that managers at all levels go to the front line and make quality improvement their top priority. Meanwhile, the Group will upgrade itself through informatization and strengthen the capabilities of the mid-level management and front-line personnel in its business, truly implement refined operations, improve profitability and efficiency, win the trust of property owners with high-quality services, create a better environment for property owners, and eliminate risks in business management and operation. In addition, the Group will provide better services, maintain good customer relationships, optimize the project portfolio, ensure good operational efficiency and spare no effort to collect fees to stabilize cash flow, with the aim of enabling its healthy and sustainable development, thus forming a virtuous, positive and sustainable cycle.

The Group will unswervingly adhere to market-oriented development, seize opportunities with keenness and precision, develop its features and professional advantages in the fierce competition, and provide customers with high-quality and valuable services. The Group puts project quality first, focuses on project conversion, cash flow and stability of profitability, and is selective in business expansion while taking the business scale into account. Although the market for property services to new residential properties is limited, the public building service market becomes gradually more market-oriented. The Group will focus on high-quality business opportunities for providing services to non-residential properties, strive to broaden the source of projects, deepen the sharing of resources, and adopt flexible business expansion strategies to outsmart the competition. When selecting regions for undertaking property service projects, the Group will focus on increasing the project intensity and concentrate on the strategically important cities where it has already had business presence and has deeply developed the markets. It will strictly control the radius of the distribution of its projects and not hastily undertake "isolated" projects. In addition, the Group will comprehensively assess risks of large-scale benchmark projects to ensure the contract renewal for key and high-quality projects. It will actively maintain relationships with existing customers and major customers through its grading system, and actively seek flexible cooperation with local state-owned enterprises to maintain the Group's advantage of economies of scale. The Group will pursue progress in its diverse businesses with a prudent approach. In the value-added services to property owners, the Group will focus on non-real estate, resource-based businesses that can consistently generate profit, deepen the integration of the product ecosystem and supply chain, standardize and informatize the operation of its living services to the community and institutions, and deeply unlock the value of existing projects. Meanwhile, the Group will focus on the quality of its businesses and balance investment and returns. It will innovate and extend the scope of business with an asset-light model and platform-based approach, and leverage the advantages of the platform to accurately connect suppliers with the needs of property owners. In the city services, the Group will continue to prioritize the quality of operation, seek opportunities to undertake projects with good fee collection rates and high operational efficiency in high-tier cities, continue to optimize the overall project portfolio, and focus on enhancing its economies of scale in regions where it has competitive advantages.

In the future, the Group will forge ahead with its agile organizational strategy by adhering to “region-specific strategies”, “city-specific strategies” and “enterprise-specific strategies”, thereby effectively improving both quality and efficiency. The Group will conduct organizational integration in line with the business philosophy of mutually beneficial cooperation, further standardize the Company’s internal control, enhance the authorization management and improve the system for post-acquisition management and evaluation. With a results-oriented approach, clear red lines and boundaries will be established to facilitate the continuing organizational integration, foster complementary advantages, and promote common development. The Group will always put people first, attach great importance to the development of corporate culture, cultivate an atmosphere that encourages hard work and pragmatism, stimulate team vitality and enhance cohesion, and establish an atmosphere that encourages ethical and honest practices to steer the Company steadily to long-term success. Meanwhile, the Group will press on with digital transformation, continue to update and upgrade its information platform, and empower member companies to refine services and improve internal management efficiency.

Looking ahead, the Group will further consolidate its industry-leading advantages, navigate the business cycle and achieve long-term sustainable development with its high-quality services, stable business scale, flexible organization and outstanding talents. All employees of the Group will forge ahead together with a selfless spirit and altruism, serve property owners with a high sense of responsibility and mission, continue to provide high-quality services commensurate with the price, and strive to achieve the Group’s high-quality and sustainable development. The Group will devote itself wholeheartedly to its mission, live up to the expectations of the property owners, employees and the Shareholders, continue to give back to society, and realize the beautiful vision of co-creation for mutual benefit.

Acknowledgement

On behalf of the board (the “Board”) of directors (the “Directors”) of the Company, we would like to extend our heartfelt gratitude to our Shareholders and customers for their enormous support and to all our staff members for their dedicated efforts, which contributed greatly to the growth of the Group.

Chan Cheuk Hung/Huang Fengchao

Co-Chairman of the Board

Hong Kong, 27 August 2024

Management Discussion and Analysis

Business Review

In the first half of 2024, the complexity, severity and uncertainty of the external environment have increased significantly, the domestic development structure adjustment has continued to deepen, and the real estate market is still in a period of adjustment and transformation. In view of the pressurized macroeconomic and real estate market, the property management industry is facing numerous challenges, transforming from an incremental market competition to an existing market competition, with an increasing focus on high-quality development.

The Group always adhered to independent and marketisation-oriented development, focusing on the development of non-cyclical business, further improving service quality, continuously improving operating efficiency, and safeguarding long-term sustainable development. During the Period, the revenue of the Group amounted to approximately RMB7,022.6 million, with the proportion of non-cyclical business revenue further increased to 96.7%. Net loss amounted to RMB1,532.3 million and loss attributable to Shareholders was RMB1,634.2 million. As at 30 June 2024, the GFA under management and contracted GFA of the Group reached 576.7 million sq.m. and 749.8 million sq.m., respectively.

Financial Review

Revenue

The Group's revenue was derived from four major business lines: (i) property management services; (ii) property owners value-added services; (iii) city services; and (iv) extended value-added services.

For the six months ended 30 June 2024, the Group's revenue amounted to RMB7,022.6 million (the corresponding period of 2023: RMB7,698.5 million), representing a decrease of 8.8% as compared with the corresponding period of last year. Among which, revenue from property management services, property owners value-added services and city services businesses of the Group totalled RMB6,790.1 million, representing a year-on-year decrease of 4.5% and accounting for 96.7% of the Group's total revenue.

	For the six months ended 30 June				
	2024 (RMB million)	Percentage of revenue	2023 (RMB million)	Percentage of revenue	Growth rate
		%		%	
Property management	5,371.5	76.5%	5,267.3	68.4%	2.0%
– Residential property projects	2,328.0	33.2%	2,172.2	28.2%	7.2%
– Non-residential property projects	3,043.5	43.3%	3,095.1	40.2%	-1.7%
Property owners value-added services	771.5	11.0%	1,167.2	15.2%	-33.9%
City services	647.1	9.2%	673.9	8.7%	-4.0%
Subtotal:	6,790.1	96.7%	7,108.4	92.3%	-4.5%
Extended value-added services	232.5	3.3%	590.1	7.7%	-60.6%
– Sales centre property management services	148.7	2.1%	226.4	3.0%	-34.3%
– Other extended value-added services	83.8	1.2%	363.7	4.7%	-77.0%
Total	7,022.6	100.0%	7,698.5	100.0%	-8.8%

Property management services

Property management services, which include security, cleaning, greening, gardening, repair and maintenance, etc., are the Group's main source of revenue.

During the Period, revenue from property management services amounted to RMB5,371.5 million (the corresponding period of 2023: RMB5,267.3 million), representing an increase of 2.0% as compared with the corresponding period of last year. Among which, revenue from residential property projects amounted to RMB2,328.0 million (the corresponding period of 2023: RMB2,172.2 million), representing an increase of 7.2% as compared with the corresponding period of last year. Revenue from non-residential property projects amounted to RMB3,043.5 million (the corresponding period of 2023: RMB3,095.1 million), representing a decrease of 1.7% as compared with the corresponding period of last year.

The breakdown of the Group's total GFA under management

As at 30 June 2024, the Group's total GFA under management was 576.7 million sq.m.. Among which, the GFA under management from third-party projects accounted for approximately 82.9% of the total GFA under management, and third-party projects accounted for the majority of the Group's GFA under management.

The project portfolio for GFA under management

The Group has established a diversified and balanced business portfolio layout, capitalising on its first-mover advantages in niche markets such as residential property, public buildings and commercial and office buildings, etc. As at 30 June 2024, residential projects accounted for 44.1% (as at 31 December 2023: 42.4%) of the Group's GFA under management in terms of business portfolio, and non-residential projects accounted for 55.9% (as at 31 December 2023: 57.6%) (public buildings: 44.5%; commercial buildings and others: 11.4%).

The geographic coverage for GFA under management

As at 30 June 2024, the number of Group's projects under management was 4,521, covering 31 provinces, municipalities and autonomous regions and 214 cities nationwide.

By region, 33.6% of the Group's GFA under management was located in the Yangtze River Delta region, 19.9% in the Guangdong-Hong Kong-Macao Greater Bay Area, 8.4% in the Shandong Peninsula city cluster, 7.9% in the Chengdu-Chongqing city cluster, while the remaining spread across other regions in the PRC.

The charging mode

The lump sum contract basis the Group primarily adopted is conducive to improving service quality and operational efficiency.

The breakdown of the Group's total contracted GFA

The contracted GFA, which is defined by the Group as areas agreed in the contracts signed with property developers or property owners for providing property management services, includes delivered and to-be-delivered GFA (i.e. reserved GFA), and the reserved GFA will enlarge the Group's GFA under management and increase revenue source in the future.

As at 30 June 2024, the contracted GFA of the Group was 749.8 million sq.m.. The contracted GFA from third-party projects accounted for approximately 80.5% of the total contracted GFA.

Property owners value-added services

Property owners value-added services mainly include living and comprehensive services, home improvement services, community space operation and other services, as well as value-added services to institutions and enterprises, which focus on improving the work and living experience of property owners and residents at the properties under management and preserving and increasing the value of their properties.

During the Period, revenue from property owners value-added services amounted to RMB771.5 million, representing a decrease of 33.9% as compared with RMB1,167.2 million in the corresponding period of 2023, and accounting for approximately 11.0% of the total revenue.

- (1) Living and comprehensive services include property maintenance, housekeeping, courtyard gardening, community retail, energy-saving renovation, express delivery, tourism, community second-hand leasing and sales services, comprehensive consulting services, etc. In the first half of the year, the Group optimized the business structure of living services, adjusted the product structure of the retail business, focused on high-margin products such as beverages and fresh food, and adjusted the business model. For household services, the Group focused on the development of self-operated door-to-door business, and implemented the 3+X business model which combined the penetration of core products such as housekeeping, maintenance and home appliance cleaning and promoted the development of regional featured household business. During the Period, revenue from living and comprehensive services was approximately RMB322.1 million, representing a decrease of 43.9% as compared with RMB574.5 million in the corresponding period in 2023, and accounting for approximately 41.7% of revenue from property owners value-added services.
- (2) Home improvement services primarily include decoration, turnkey furnishing and community renewal services, etc. During the Period, revenue from home improvement services amounted to approximately RMB47.5 million, representing a decrease of 50.5% as compared with RMB95.9 million in the corresponding period of 2023, which was mainly due to the declined demand for home improvement business as a result of the relatively sluggish real estate market and more cautious spending of residents.
- (3) Community space operation and other services primarily include club house operation services, property operation services, community-based advertising operation, parking lot management services and community asset operation, etc. During the Period, revenue from community space operation and other services amounted to approximately RMB245.8 million, representing a decrease of 17.0% as compared with RMB296.0 million in the corresponding period of 2023, and accounted for approximately 31.9% of the revenue from property owners value-added services, which was mainly due to the decreased demand for space rental and sales as affected by the economic environment.

- (4) Value-added services to institutions and enterprises include featured value-added services for public buildings, such as catering, commuting services and material procurement services, as well as featured value-added services for commercial and office buildings, such as customized business platform for enterprises, conferencing services, centralised procurement and retailing for enterprises, etc. During the Period, the revenue from value-added services to institutions and enterprises was approximately RMB156.1 million, representing a year-on-year decrease of 22.3%, accounting for approximately 20.2% of revenue from property owners value-added service, which was mainly due to revenue decrease of certain businesses such as group catering caused by customer demand changes and adjustment on expansion strategy.

City services

City services mainly include street cleaning and maintenance, domestic refuse collection and transportation, refuse classification, landscaping and gardening maintenance, municipal facility maintenance, urban space operation, community coordination and governance, smart city management solutions, etc. Currently, the Group's city service projects are mainly divided into single project contracting model and integrated sanitation services, etc.

During the Period, revenue from city services reached RMB647.1 million, representing a decrease of 4.0% as compared with RMB673.9 million in the corresponding period of 2023, and accounting for approximately 9.2% of the total revenue, which was mainly due to proactive adjustment made to projects with poor payment collection in order to improve the overall fee collection efficiency and project quality, and idle assets and equipment were used to expand new projects to actively supplement the income shortfall caused by proactive project replacement.

Extended value-added services

Extended value-added services primarily include sales centre property management services and other extended value-added services for property developers.

During the Period, the Group recorded revenue from extended value-added services of RMB232.5 million (the corresponding period of 2023: RMB590.1 million), representing a decrease of 60.6% from last year, and accounting for approximately 3.3% of the total revenue, which was mainly due to decreased demand for sales center property management services and relevant services caused by sluggish real estate development and sales. The revenue from extended value-added services includes:

- (1) Sales centre property management services (accounting for 64.0% of the revenue from the extended value-added services): the revenue for the Period amounted to RMB148.7 million, representing a decrease of 34.3% as compared with RMB226.4 million in the corresponding period of 2023.
- (2) Other extended value-added services (accounting for 36.0% of the revenue from the extended value-added services): include property agency services and housing inspection services, etc. The revenue for the Period amounted to RMB83.8 million, representing a decrease of 77.0% as compared with RMB363.7 million in the corresponding period of 2023.

Cost of sales

The Group's cost of sales primarily consists of employee benefit expenses, cleaning expenses, security charges, maintenance costs, utilities, greening and gardening expenses, cost of consumables, depreciation and amortisation charges and others.

During the Period, the Group's cost of sales was RMB5,829.2 million (the corresponding period of 2023: RMB6,125.0 million), representing a year-on-year decrease of 4.8%. The decrease was primarily due to the decrease in extended value-added services and property owner value-added services business of the Group.

Gross profit and gross profit margin

	For the six months ended 30 June				
	2024		2023		Growth rate %
	Gross profit (RMB million)	Gross profit margin %	Gross profit (RMB million)	Gross profit margin %	
Property management services	879.7	16.4%	993.1	18.9%	
Property owners value-added services	150.7	19.5%	321.8	27.6%	-53.2%
City services	122.5	18.9%	142.2	21.1%	-13.9%
Subtotal:	1,152.9	17.0%	1,457.1	20.5%	-20.9%
Extended value-added services	40.5	17.4%	116.5	19.7%	-65.2%
Total	1,193.4	17.0%	1,573.6	20.4%	-24.2%

During the Period, the Group's gross profit amounted to RMB1,193.4 million, representing a decrease of 24.2% as compared with RMB1,573.6 million in the corresponding period of 2023. Gross profit margin decreased by 3.4 percentage points to 17.0% from 20.4% in the corresponding period of 2023. Among which, the total gross profit of property management services, property owners value-added services and city services was RMB1,152.9 million, representing a year-on-year decrease of 20.9%. The gross profit from these three businesses increased to 96.6% of the Group's total gross profit from 92.6% in the corresponding period of 2023.

- The gross profit margin of property management services was 16.4% (the corresponding period of 2023: 18.9%), representing a decrease of 2.5 percentage points as compared with that of the corresponding period of 2023, which was mainly due to the Group's continuous effort in strengthening its investment in primary level services and promoted comprehensive upgrading and renovation of the environment and facilities. Excluding the effect of amortization of intangible assets due to the merger and acquisition, the gross profit was RMB947.9 million and the gross profit margin was 17.6%.

- The gross profit margin of property owners value-added services was 19.5% (the corresponding period of 2023: 27.6%), representing a decrease of 8.1 percentage points as compared with that of the corresponding period of 2023, which was mainly due to the continuous optimization of business structure and operating model which adopted flexible business strategies and timely adjusted resource investment for business with high gross profit but affected by the economic environment and upstream real estate market.
- The gross profit margin of city services was 18.9% (the corresponding period of 2023: 21.1%), representing a decrease of 2.2 percentage points as compared with that of the corresponding period of 2023, which was mainly due to the adjustments in business strategy to proactively phase out projects with higher gross profit margin yet poor payment collection.
- The gross profit margin of extended value-added services was 17.4% (the corresponding period of 2023: 19.7%), representing a decrease of 2.3 percentage points as compared with that of the corresponding period of 2023, which was mainly due to the continuous adjustment to the real estate industry, and demand for relevant services and business scale have declined, yet the cost of related business remained high.

Selling and marketing expenses

During the Period, the Group's selling and marketing expenses amounted to RMB23.1 million (the corresponding period of 2023: RMB52.7 million), accounting for 0.3% of the revenue, representing a decrease of 0.4 percentage point as compared with that of the corresponding period of last year, which was mainly due to the adjustment of the expansion strategy to shift from scale development to quality-oriented development.

Administrative expenses

During the Period, the Group's administrative expenses amounted to RMB336.7 million, representing a decrease of 12.1% as compared with RMB383.2 million in the corresponding period of 2023, and accounting for 4.8% of the revenue, representing a decrease of 0.2 percentage point as compared with that of the corresponding period of 2023.

Net impairment losses on financial assets

During the Period, the Group's net impairment losses on financial assets amounted to RMB2,883.9 million (the corresponding period of 2023: RMB45.6 million), representing a year-on-year increase of 6,223.6%, which was mainly due to an increase in the credit risk of the Group's related party customers, and impairment provisions have been made.

Other income

During the Period, other income of the Group amounted to RMB41.7 million (the corresponding period of 2023: RMB99.8 million), representing a year-on-year decrease of 58.2%, which was mainly due to the change in tax credits and government grants.

Income tax

During the Period, the Group's income tax credit was RMB503.0 million (the income tax expense of the corresponding period of 2023: RMB253.6 million). The income tax rate was 24.7% (the corresponding period of 2023: 21.0%). This was mainly due to income tax credits, changes in the external macro-environment and the Group's provision of significant impairment losses and the corresponding deferred income tax.

Profit

During the Period, the Group's net loss was RMB1,532.3 million, and the net profit for the corresponding period in 2023 was RMB951.5 million, which was mainly attributable to an increase in the credit risk of the Group's related party customers and significant impairment losses made during the Period, as well as the downtrend pressure on margins of other business segments affected by the economic environment and improvement in service quality. Net profit margin was -21.8%, representing a decrease of 34.2 percentage points as compared with 12.4% in the corresponding period of 2023.

Adjusted core net profit was RMB715.9 million, representing a decrease of 28.8% as compared with RMB1,005.1 million in the corresponding period of 2023, and adjusted core net profit margin was 10.2%, representing a decrease of 2.9 percentage points as compared with 13.1% in the corresponding period of 2023. The adjusted core net profit for property management services, property owners value-added services and city services was RMB699.5 million, representing a decrease of 23.9% as compared with RMB919.1 million in the corresponding period of 2023, and the adjusted core net profit margin was 10.3%, representing a decrease of 2.6 percentage points as compared with 12.9% in the corresponding period of 2023.

Current assets, reserve and capital structure

During the Period, the Group maintained a sound financial position. As at 30 June 2024, current assets amounted to RMB13,682.8 million, representing a decrease of 17.0% from RMB16,488.0 million as at 31 December 2023. As at 30 June 2024, cash and cash equivalents of the Group amounted to RMB3,042.7 million, representing a decrease of 25.3% as compared with RMB4,074.9 million as at 31 December 2023. As at 30 June 2024, the Group's cash and cash equivalents were primarily held in Renminbi, Hong Kong dollars, United States dollars and Australian dollars.

As at 30 June 2024, the Group's total equity was RMB12,877.0 million, representing a decrease of RMB1,572.1 million or 10.9% as compared with RMB14,449.1 million as at 31 December 2023, which was primarily due to the significant impairment provision made during the Period.

Property, plant and equipment

The Group's property, plant and equipment mainly comprise buildings, office equipment, machinery equipment and other fixed assets. As at 30 June 2024, the net value of the Group's property, plant and equipment amounted to RMB635.6 million, representing an increase of 0.4% as compared with RMB632.8 million as at 31 December 2023.

Other intangible assets

As at 30 June 2024, the book value of other intangible assets of the Group was RMB1,005.9 million, representing a decrease of 14.0% as compared with RMB1,170.2 million as at 31 December 2023. Intangible assets of the Group mainly included (i) RMB28.9 million from the trademark value of member companies; (ii) RMB1,764.0 million generated from customer relationship and backlogs attributable to member companies; (iii) the software developed and purchased by the Group; and (iv) partially offset by amortization of trademarks, customer relationships and software. Trademarks, customer relationship and software had a specific validity period and were carried at cost less accumulated amortization.

Goodwill

The goodwill was primarily derived from the expected future developments of the member companies, expansion of market coverage, diversification of service portfolio, integration of value-added services and improvement of management efficiency. As at 30 June 2024, the Group recorded goodwill of RMB2,798.2 million.

There was no significant goodwill impairment risk during the Period.

Financial assets at fair value through profit or loss (“FVPL”)

As at 30 June 2024, the Group’s financial assets at FVPL amounted to RMB2,000.3 million, representing a decrease of 0.1% as compared with RMB2,003.4 million as at 31 December 2023.

Trade and other receivables and prepayments

As at 30 June 2024, trade and other receivables and prepayments (including current and noncurrent portions) amounted to RMB9,400.0 million, representing a decrease of 15.5% from RMB11,130.4 million as at 31 December 2023. Among which, trade receivables amounted to RMB8,534.3 million, representing an increase of 10.7% as compared with RMB7,707.5 million as at 31 December 2023, which was mainly due to the impact from the payment collection cycle, resulting in an increase of the balance of trade receivables. Other receivables amounted to RMB3,642.6 million, representing an increase of 8.7% from RMB3,350.1 million as at 31 December 2023, which was mainly due to the increase of receivables from third parties.

Trade and other payables

As at 30 June 2024, trade and other payables (including current and non-current portions) amounted to RMB6,344.3 million, representing a decrease of 5.1% as compared with RMB6,686.3 million as at 31 December 2023 which was mainly due to payment of amount due and cost control.

Borrowings

As at 30 June 2024, the Group had long-term borrowings of RMB243.4 million, among which RMB76.0 million will be repayable within one year. The Group also had short-term borrowings of RMB174.2 million with maturities of less than one year.

Gearing ratio

The gearing ratio is calculated as total borrowings divided by total equity, which is the sum of long-term and short-term interest-bearing bank loans and other loans as at the corresponding date divided by the total equity as at the same date. As at 30 June 2024, the gearing ratio was 3.2%.

Current and deferred income tax liabilities

As at 30 June 2024, the current income tax liabilities of the Group amounted to RMB461.1 million, representing a decrease of 20.0% as compared with RMB576.0 million as at 31 December 2023, which was mainly because of the decrease in profit. Deferred income tax liabilities decreased to RMB276.3 million from RMB313.2 million as at 31 December 2023.

Pledge of assets

As at 30 June 2024, the long-term borrowings amounting to RMB88.0 million and the short-term borrowings amounting to RMB62.0 million were secured by certain property, plant and equipment, investment properties and trade receivables of the Group. Details of the Group's pledge of assets as at 30 June 2024 are set out in notes 13, 14 and 17 to the interim financial information contained in this report.

Significant investment held, material acquisitions and disposals of subsidiaries, associates and joint ventures

There was no significant investment held, no material acquisitions or disposals of subsidiaries, associates and joint ventures by the Group during the Period.

Future plans for material investments or capital assets

Save as disclosed in this report, the Group has no other future plans for material investments and capital assets as at 30 June 2024.

Contingent liabilities

As at 30 June 2024, the Group had no significant contingent liabilities.

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 operations are subject to the economy of the PRC and changes in the macro environment of the real estate industry, as well as the regulatory environment and measures affecting the property management industry in the PRC. In particular, the Group's business performance primarily depends on the total contracted and revenue-bearing GFA, level of fees and the number of properties the Group manages, but the Group's business growth is, and will likely continue to be, subject to factors of macro development of the industry and the upstream industries.

Business risk

The Group's ability to maintain or improve the current level of profitability depends on the Group's ability to control operating costs (including labour costs), and the Group's profit margins and results of operations may be adversely affected by the increase in labour or other operating costs; should the Group be unable to procure new property management service contracts or renew existing management service contracts as planned or at desirable pace or price, the Group's revenue may also be adversely affected; should the Group be unable to collect property management fees from customers on time, it may incur impairment losses on receivables; the above may also affect the assessment and impairment risk of goodwill, the performance of operating cash flows and adversely affect the Group's financial position and results of operations.

Foreign exchange risk

The Group's businesses were principally located in the PRC. Except for bank deposits and financial assets at FVPL denominated in HK\$, US\$ and AUD\$, 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 strategy as appropriate to reduce foreign exchange risks.

Employees and remuneration policies

As at 30 June 2024, the Group had 88,524 employees (as at 31 December 2023: 96,018). During the Period, total staff costs amounted to RMB2,898.9 million.

The compensation plan of the Group is determined with reference to the market levels as well as employees' performance and contributions. Bonuses are also distributed based on the performance of employees. The Group also provides employees with a comprehensive benefit package and career development opportunities, including retirement schemes, medical benefits, and both internal and external training programs appropriate to the employees' needs.

Apart from taking into account the advice from the remuneration and appraisal committee of the Board and the market levels, the Company also considers the competency, contributions and the responsibilities towards the Company in determining the level of remuneration for the Directors. Appropriate benefit schemes are in place for the Directors.

Significant Events after Reporting Period

As at the date of this report, the Group did not have any significant event subsequent to 30 June 2024.

Corporate Governance Practices

The Board is committed to maintaining high corporate governance standards.

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

The Board currently comprises eight members, with four executive Directors, one non-executive Director and three independent non-executive Directors. Each of the independent non-executive Directors either possesses professional qualifications or experiences in various areas of financial accounting or property management. The Board holds at least four physical Board meetings every year. The Board will review the corporate governance practices of the Group from time to time with an aim to meet international best practices.

The Company has been reporting the business performance and latest development of the Group to its Shareholders and investors through various channels and platforms and a briefing on the businesses of the Company and the question and answer session are available in the annual general meeting of the Company allowing the Shareholders to have a better understanding of the Group's strategies and goals.

Review of interim results

The audit committee of the Company (the "Audit Committee") has reviewed the financial statements of the Group for the six months ended 30 June 2024. The review included discussions with management of the accounting principles and practices adopted by the Group, internal controls and financial reporting matters, and the significant judgments made by management.

The Audit Committee comprises Mr. Wang Gonghu, Mr. Weng Guoqiang and Mr. Li Jiahe who are independent non-executive Directors.

The unaudited interim financial information have been approved and authorised for issue by the Board on 27 August 2024.

Compliance with the Model Code for Securities Transactions by Directors and Supervisors

The Company has adopted a code for securities transactions by the Directors and a code for securities transactions by supervisors of the Company (the "Supervisors") as its own codes of conduct governing Directors' and Supervisors' dealings in the Company's securities (the "Securities Dealing Codes") on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

Specific enquiry has been made to all the Directors and Supervisors and they have confirmed that they had complied with the Securities Dealing Codes during the six months ended 30 June 2024.

The Company has also established written guidelines (the “Employees Written Guidelines”) on terms no less exacting than the Model Code for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance with the Employees Written Guidelines by the employees was noted by the Company during the six months ended 30 June 2024.

Compliance with the Corporate Governance Code

The Company has adopted the principles and code provisions as set out in the Corporate Governance Code (the “CG Code”) contained in Part 2 of Appendix C1 to the Listing Rules.

The Board reviewed the Company’s corporate governance practices and is satisfied that the Company has been in full compliance with all the applicable code provisions set out in the CG Code during the six months ended 30 June 2024.

Other Information

Directors', Supervisors' and the Chief Executives' Interests and/or Short Positions in Shares, Underlying Shares or Debentures of the Company or any of its Associated Corporations

As of 30 June 2024, the interests and short positions of the Directors, the Supervisors and chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Securities Dealing Codes, were as follows:

(i) Interest in Shares of the Company

Name of Director	Nature of Interest	Class of Shares	Number of Shares ⁽¹⁾	Approximate Percentage of the Company's Issued Share Capital
Mr. Chan Cheuk Hung ⁽²⁾	Beneficiary of a trust	H Shares	666,736,750 (L)	46.95%
			93,793,638 (S)	6.61%
Mr. Huang Fengchao ⁽³⁾	Interest of a controlled corporation	H Shares	12,288,972 (L)	0.87%
Mr. Li Dalong ⁽⁴⁾	Interest of a controlled corporation	H Shares	12,288,972 (L)	0.87%
	Spouse	H Shares	200,000 (L)	0.01%
Mr. Chen Siyang	Beneficial owner	H Shares	1,622,453 (L)	0.11%
Mr. Liu Jianrong	Beneficial owner	H Shares	50,000 (L)	0.01%

Notes:

- (1) The letter "L" denotes the person's long position in the shares, while the letter "S" denotes the person's short position in the shares.
- (2) Mr. Chan Cheuk Hung is the beneficiary of a family trust ("Chen's Family Trust", which is deemed to be interested in 666,736,750 long position and 93,793,638 short position in H shares of the Company). Therefore, Mr. Chan Cheuk Hung is deemed under the SFO to be interested in the shares of the Company held by Chen's Family Trust.

- (3) Mr. Huang Fengchao is a limited partner of and owns 99.9% interest in Tianjin Fengxin Commercial Center (Limited Partnership)* 天津奉欣商業中心（有限合夥）（“Tianjin Fengxin”）。Tianjin Fengxin is a limited partner of and respectively owns 94.96% and 95% interest in Shanghai Baoya Business Consultancy Limited Partnership* 上海葆雅商務諮詢合夥企業（有限合夥）（“Shanghai Baoya”） and Shanghai Bingya Business Consultancy Limited Partnership* 上海秉雅商務諮詢合夥企業（有限合夥）（“Shanghai Bingya”）。Mr. Huang is also a general partner of Shanghai Baoya and Shanghai Bingya respectively, and has full control over Shanghai Baoya and Shanghai Bingya. Shanghai Baoya is a general partner of Shanghai Yongya Business Consultancy Limited Partnership* 上海詠雅商務諮詢合夥企業（有限合夥）（“Shanghai Yongya”） and has full control over Shanghai Yongya. Shanghai Bingya is a limited partner of and owns 50% interest in Shanghai Yongya. Shanghai Yongya is a limited partner of and owns 45% interest in Tianjin A-Living Business Management Limited Partnership* 天津雅生活企業管理合夥企業（有限合夥）（formerly known as Gongqingcheng A-Living Investment Management Limited Partnership* 共青城雅生活投資管理合夥企業（有限合夥））（“Tianjin A-Living”） which owns 12,288,972 H shares of the Company. Mr. Huang is a limited partner of and owns 4.99% interest in Tianjin A-Living. Hence, Mr. Huang Fengchao is deemed under the SFO to be interested in the shares of the Company held by Tianjin A-Living.
- (4) Mr. Li Dalong is a limited partner of and owns 99.9% interest in Tianjin Chaotai Commercial Center (Limited Partnership)* 天津朝泰商業中心（有限合夥）（“Tianjin Chaotai”）。Tianjin Chaotai is a limited partner of and owns 47.5% interest in Shanghai Yanya Business Consultancy Limited Partnership* 上海焰雅商務諮詢合夥企業（有限合夥）（“Shanghai Yanya”） and Shanghai Chengya Business Consultancy Limited Partnership* 上海澄雅商務諮詢合夥企業（有限合夥）（“Shanghai Chengya”） respectively. Mr. Li is also a general partner of and owns 2.5% interest in Shanghai Yanya and Shanghai Chengya respectively, and has full control over Shanghai Yanya and Shanghai Chengya. Shanghai Yanya is a limited partner of and owns 50% interest in Shanghai Yeya Business Consultancy Limited Partnership* 上海燁雅商務諮詢合夥企業（有限合夥）（“Shanghai Yeya”）。Shanghai Chengya is a general partner of Shanghai Yeya and has full control over Shanghai Yeya. Shanghai Yeya is a limited partner of and owns 45% interest in Tianjin A-Living. Mr. Li is a general partner of Tianjin Fengxin and has full control over Tianjin Fengxin. Tianjin Fengxin is a limited partner of and owns 94.96% interest in Shanghai Baoya. Tianjin Fengxin is a limited partner of and owns 95% interest in Shanghai Bingya. Shanghai Baoya is a general partner of Shanghai Yongya and has full control over Shanghai Yongya. Shanghai Bingya is a limited partner of and owns 50% interest in Shanghai Yongya. Shanghai Yongya is a limited partner of and owns 45% interest in Tianjin A-Living which owns 12,288,972 H shares of the Company. Mr. Li is a limited partner of and owns 2.5% interest in Tianjin A-Living. Hence, Mr. Li Dalong is deemed under the SFO to be interested in the shares of the Company held by Tianjin A-Living. By virtue of the SFO, Mr. Li Dalong is deemed to be interested in the shares of the Company held by his spouse, Ms. Fei Fan.

* for identification purposes only

(ii) Interest in Shares of Associated Corporation of the Company

Name of Director	Name of Associated Corporation	Nature of Interest	Number of Shares	Approximate Percentage of Shareholding Interest
Mr. Chan Cheuk Hung	Agile Group Holdings Limited	Beneficiary of a trust	2,453,096,250 (L)	48.61%
Mr. Huang Fengchao	Agile Group Holdings Limited	Beneficial owner	1,400,000 (L)	0.03%
Ms. Yue Yuan	Agile Group Holdings Limited	Beneficial owner	42,000 (L)	0.00%

Note: The letter “L” denotes the person’s long position in the shares.

Save as disclosed above, as of 30 June 2024, neither any of the Directors, the Supervisors nor the chief executives had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Securities Dealing Codes.

Substantial Shareholders' Interests and Short Positions in Shares or Underlying Shares of the Company

So far as known to any Director or chief executives of the Company, as of 30 June 2024, the persons (other than Directors, Supervisors or chief executives of the Company) or corporations who had interest or short positions in the shares and underlying shares of the Company which were required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

Name of Shareholder	Nature of Interest	Class of Shares	Number of Shares ⁽¹⁾	Approximate Percentage of the Company's Issued Share Capital
Zhongshan A-Living Enterprises Management Services Co., Ltd.* (中山雅生活企業管理服務有限公司)	Beneficial owner	H shares	608,911,750 (L)	42.88%
			42,536,888 (S)	3.00%
Deluxe Star International Limited ⁽²⁾	Interest of a controlled corporation	H shares	608,911,750 (L)	42.88%
	Beneficial owner	H shares	42,536,888 (S)	3.00%
			7,200,000 (L)	0.51%
Makel International (BVI) Limited ⁽³⁾	Interest of a controlled corporation	H shares	616,111,750 (L)	43.39%
			42,536,888 (S)	3.00%
Genesis Global Development (BVI) Limited ⁽⁴⁾	Interest of a controlled corporation	H shares	616,111,750 (L)	43.39%
			42,536,888 (S)	3.00%
Eastern Supreme Group Holdings Limited ⁽⁵⁾	Interest of a controlled corporation	H shares	666,736,750 (L)	46.95%
			93,793,638 (S)	6.61%
Agile Group Holdings Limited ⁽⁶⁾	Interest of a controlled corporation	H shares	643,911,750 (L)	45.35%
			93,793,638 (S)	6.61%
Full Choice Investments Limited ⁽⁷⁾	Trustee of a trust	H shares	666,736,750 (L)	46.95%
			93,793,638 (S)	6.61%
Top Coast Investment Limited ⁽⁸⁾	Interest of a controlled corporation	H shares	666,736,750 (L)	46.95%
			93,793,638 (S)	6.61%

Name of Shareholder	Nature of Interest	Class of Shares	Number of Shares ⁽¹⁾	Approximate Percentage of the Company's Issued Share Capital
Mr. Chen Zhuo Lin ⁽⁹⁾	Beneficiary of a trust	H shares	666,736,750 (L) 93,793,638 (S)	46.95% 6.61%
Mr. Chan Cheuk Yin ⁽⁹⁾	Beneficiary of a trust	H shares	666,736,750 (L) 93,793,638 (S)	46.95% 6.61%
Ms. Luk Sin Fong, Fion ⁽⁹⁾	Beneficiary of a trust	H shares	666,736,750 (L) 93,793,638 (S)	46.95% 6.61%
Mr. Chan Cheuk Hei ⁽⁹⁾	Beneficiary of a trust	H shares	666,736,750 (L) 93,793,638 (S)	46.95% 6.61%
Mr. Chan Cheuk Nam ⁽⁹⁾	Beneficiary of a trust	H shares	666,736,750 (L) 93,793,638 (S)	46.95% 6.61%
Ms. Zheng Huiqiong ⁽¹⁰⁾	Spouse	H shares	666,736,750 (L) 93,793,638 (S)	46.95% 6.61%
Ms. Lu Liqing ⁽¹¹⁾	Spouse	H shares	666,736,750 (L) 93,793,638 (S)	46.95% 6.61%
Ms. Lu Yanping ⁽¹²⁾	Spouse	H shares	666,736,750 (L) 93,793,638 (S)	46.95% 6.61%
Ms. Chan Siu Na ⁽¹³⁾	Spouse	H shares	666,736,750 (L) 93,793,638 (S)	46.95% 6.61%
BNP PARIBAS SA	Person having a security interest in shares	H shares	108,552,792 (L)	7.64%
Standard Chartered PLC	Interest of a controlled corporation	H shares	105,667,250 (L)	7.44%
HSBC Holdings plc	Interest of a controlled corporation	H shares	112,291,206 (L)	7.90%
The Bank of East Asia, Limited	Person having a security interest in shares	H shares	100,513,000 (L) 513,000 (S)	7.08% 0.04%
United Overseas Bank Limited	Interest of a controlled corporation	H shares	100,100,000 (L)	7.05%
Central Huijin Investment Ltd.	Interest of a controlled corporation	H shares	100,000,000 (L)	7.04%
China CITIC Bank Corporation Limited	Interest of a controlled corporation	H shares	100,000,000 (L)	7.04%
China CITIC Bank International Limited	Person having a security interest in shares	H shares	100,000,000 (L)	7.04%
China Construction Bank Corporation	Interest of a controlled corporation	H shares	100,000,000 (L)	7.04%
China Minsheng Banking Corp., Ltd.	Person having a security interest in shares	H shares	100,000,000 (L)	7.04%

Other Information (continued)

Name of Shareholder	Nature of Interest	Class of Shares	Number of Shares⁽¹⁾	Approximate Percentage of the Company's Issued Share Capital
CITIC Group Corporation	Interest of a controlled corporation	H shares	100,000,000 (L)	7.04%
CITIC Limited	Interest of a controlled corporation	H shares	100,000,000 (L)	7.04%
Dah Sing Bank, Limited	Person having a security interest in shares	H shares	100,000,000 (L)	7.04%
LEI IOC HENG	Interest of a controlled corporation	H shares	100,000,000 (L)	7.04%
LIU CHAK WAN	Interest of a controlled corporation	H shares	100,000,000 (L)	7.04%
Luso International Banking Limited	Person having a security interest in shares	H shares	100,000,000 (L)	7.04%
Macao Development Bank Limited	Person having a security interest in shares	H shares	100,000,000 (L)	7.04%
Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch	Person having a security interest in shares	H shares	100,000,000 (L)	7.04%
UOB-Kay Hian Holdings Limited	Interest of a controlled corporation	H shares	100,000,000 (L)	7.04%
廣州越秀集團股份有限公司 (Guangzhou Yue Xiu Holdings Limited)	Interest of a controlled corporation	H shares	100,000,000 (L)	7.04%

* for identification purpose only

Notes:

- (1) The letters "L" denotes the person's/corporation's long position in the shares, while the letter "S" denotes the person's/corporation's short position in the shares.
- (2) Zhongshan A-Living Enterprises Management Services Co., Ltd.* is wholly-owned by Deluxe Star International Limited and Deluxe Star International Limited is deemed under the SFO to be interested in the shares of the Company held by Zhongshan A-Living Enterprises Management Services Co., Ltd.*.
- (3) Deluxe Star International Limited is wholly-owned by Makel International (BVI) Limited and Makel International (BVI) Limited is deemed under the SFO to be interested in the shares of the Company held by Deluxe Star International Limited.

- (4) Makel International (BVI) Limited is wholly-owned by Genesis Global Development (BVI) Limited and Genesis Global Development (BVI) Limited is deemed under the SFO to be interested in the shares of the Company held by Makel International (BVI) Limited.
- (5) Genesis Global Development (BVI) Limited is wholly-owned by Eastern Supreme Group Holdings Limited and Eastern Supreme Group Holdings Limited is deemed under the SFO to be interested in the shares of the Company held by Genesis Global Development (BVI) Limited.
- (6) Eastern Supreme Group Holdings Limited is wholly-owned by Agile Group Holdings Limited and Agile Group Holdings Limited is deemed under the SFO to be interested in the shares of the Company held by Eastern Supreme Group Holdings Limited.
- (7) Full Choice Investments Limited is the trustee of Chen's Family Trust, therefore, Full Choice Investments Limited is deemed under the SFO to be interested in the shares of the Company held by Chen's Family Trust.
- (8) Top Coast Investment Limited is the settlor of Chen's Family Trust, therefore, Top Coast Investment Limited is deemed under the SFO to be interested in the shares of the Company held by Chen's Family Trust.
- (9) Each of Mr. Chen Zhuo Lin, Mr. Chan Cheuk Yin, Ms. Luk Sin Fong, Fion, Mr. Chan Cheuk Hung, Mr. Chan Cheuk Hei and Mr. Chan Cheuk Nam is the beneficiary of Chen's Family Trust, therefore, Mr. Chen Zhuo Lin, Mr. Chan Cheuk Yin, Ms. Luk Sin Fong, Fion, Mr. Chan Cheuk Hung, Mr. Chan Cheuk Hei and Mr. Chan Cheuk Nam are deemed under the SFO to be interested in the shares of the Company held by Chen's Family Trust. In addition, by virtue of the SFO, Ms. Luk Sin Fong, Fion is deemed to be interested in the shares of the Company held by her spouse, Mr. Chen Zhuo Lin.
- (10) By virtue of the SFO, Ms. Zheng Huiqiong is deemed to be interested in the shares of the Company held by her spouse, Mr. Chan Cheuk Yin.
- (11) By virtue of the SFO, Ms. Lu Liqing is deemed to be interested in the shares of the Company held by her spouse, Mr. Chan Cheuk Hung.
- (12) By virtue of the SFO, Ms. Lu Yanping is deemed to be interested in the shares of the Company held by her spouse, Mr. Chan Cheuk Hei.
- (13) By virtue of the SFO, Ms. Chan Siu Na is deemed to be interested in the shares of the Company held by her spouse, Mr. Chan Cheuk Nam.

Save as disclosed above, as of 30 June 2024, the Directors, the Supervisors and the chief executives of the Company are not aware of any other person or corporation having an interest or short position in the shares and underlying shares of the Company which would require to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

Purchase, Sale or Redemption of the Company's Listed Securities

During the six months ended 30 June 2024, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares). As of 30 June 2024, the Company did not hold any treasury shares.

Changes in Board Composition

1. Ms. Yue Yuan has been appointed as a non-executive Director since 29 May 2024.
2. Mr. Xu Yongping has retired as a non-executive Director with effect from 29 May 2024.

Changes in Information of Directors, Supervisors and Chief Executives of the Company

There has been no change in information of Directors, Supervisors and chief executives of the Company which is required to be disclosed pursuant to Rule 13.51B of the Listing Rules.

Interim Dividend

The Board proposed the distribution of an interim dividend of RMB0.03 per share (before tax) for the six months ended 30 June 2024 ("Interim Dividend"), and the amount of which will be subject to the approval of the Shareholders at the forthcoming extraordinary general meeting of the Company (the "EGM"). Interim Dividend payable to the holders of domestic shares of the Company will be paid in Renminbi, whereas Interim Dividend payable to the holders of H Shares will be declared in Renminbi and paid in Hong Kong dollars (except for the holders of H Shares who became Shareholders through the Inter-connected Mechanism for Trading on the Shanghai and Hong Kong Stock Markets and the Inter-connected Mechanism for Trading on the Shenzhen and Hong Kong Stock Markets, whose Interim Dividend will be paid in Renminbi), the exchange rate of which will be calculated based on the average exchange rate of RMB against Hong Kong dollars published by The People's Bank of China five business days prior to the EGM. Subject to the approval of the EGM, the Interim Dividend will be paid on or about Wednesday, 22 January 2025.

According to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) which came into effect on 1 January 2008, and was amended on 24 February 2017 and 29 December 2018, the Provision for Implementation of Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法實施條例》) which took effect on 1 January 2008 and was amended on 23 April 2019, and the Notice on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprise to H Shareholders which are Overseas Non-resident Enterprises (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)), which was promulgated by the State Administration of Taxation and came into effect on 6 November 2008, etc., where a PRC domestic enterprise distributes dividends for 2008 and subsequent years to H Shareholders which are overseas non-resident enterprises (Please refer to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) for the definition of non-resident enterprises.), it is required to withhold 10% enterprise income tax for such non-resident enterprise shareholders. Therefore, as a PRC domestic enterprise, the Company will, after withholding 10% of the Interim Dividend as enterprise income tax, distribute the Interim Dividend to non-resident enterprise Shareholders whose names appear on the H Shares register of members of the Company, i.e. including but not limited to HKSCC Nominees Limited, other nominees, trustees, or holders of H Shares registered in the name of other organizations and groups. After receiving dividends, the non-resident enterprise Shareholders may apply to the relevant tax authorities for

enjoying treatment of taxation treaties (arrangement) in person or by proxy or by the Company, and provide information to prove that it is an actual beneficiary under the requirements of such taxation treaties (arrangement). After the tax authorities have verified that there is no error, it shall refund tax difference between the amount of tax levied and the amount of tax payable calculated at the tax rate under the requirements of the relevant taxation treaties (arrangement).

In accordance with requirement of the Circular on Certain Issues Concerning the Policies of Individual Income Tax (Cai Shui Zi [1994] No. 020) (《關於個人所得稅若干政策問題的通知》(財稅字[1994]020號)) which was promulgated by the Ministry of Finance and the State Administration of Taxation and came into effect on 13 May 1994, overseas individuals are exempted from the individual income tax for dividends or bonuses received from foreign-invested enterprises. Therefore, as a foreign-invested enterprise, the Company will not withhold PRC individual income tax on behalf of overseas individual Shareholders whose names appear on the H Shares register of members of the Company when the Company distributes the dividends.

Interim Dividend for Investors of Southbound Trading

For investors (including enterprises and individuals) investing in the H Shares listed on the Hong Kong Stock Exchange through Shanghai Stock Exchange and Shenzhen Stock Exchange (collectively the “Southbound Trading”), the Company has entered into the Agreement on Distribution of Cash Dividends of H shares for Southbound Trading with China Securities Depository and Clearing Corporation Limited, pursuant to which, the Shanghai Branch of China Securities Depository and Clearing Corporation Limited or the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, as the nominees of the investors for Southbound Trading, will receive the cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of Southbound Trading through its depository and clearing system. The cash dividends of the investors of Southbound Trading will be distributed in Renminbi.

According to the provisions of the Notice on the Relevant Tax Policies Concerning the Pilot Program of an Interconnected Mechanism for Trading on the Shanghai and Hong Kong Stock Connect (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) and the Notice on the Relevant Tax Policies Concerning the Pilot Program of an Inter-connected Mechanism for Trading on the Shenzhen and Hong Kong Stock Markets (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), the income tax implications on dividends and bonuses received by Mainland individual investors, Mainland securities investment funds and Mainland enterprise investors are as follows:

- (i) for Mainland individual investors, H share companies shall withhold the individual income tax for these investors at the tax rate of 20% on dividends and bonuses received by them from investing in H Shares listed on the Hong Kong Stock Exchange via Southbound Trading;
- (ii) for dividends and bonuses received by Mainland securities investment funds from investing in shares listed on the Hong Kong Stock Exchange via Southbound Trading, the individual income tax shall be levied in accordance with the above provisions; and

- (iii) for dividends and bonuses received by Mainland enterprise investors from investing in shares listed on the Hong Kong Stock Exchange via Southbound Trading, the income tax on the Mainland enterprises shall not be withheld by the H share companies. The tax payable shall be declared and paid by the enterprises. For dividends and bonuses received by the Mainland resident enterprises after holding the H shares for 12 months continuously, the enterprise income tax will be exempted according to laws.

The record date and the date of distribution of cash dividends and other time arrangements for the investors of Southbound Trading will be the same as those for the shareholders of H Shares.

Closure of Register of Members for The Entitlement of Interim Dividend

Upon obtaining approval of the Shareholders at the EGM, the Interim Dividend will be payable to the Shareholders whose names appear on the register of members of the Company as at the close of business on Thursday, 19 December 2024. For the purpose of determining the entitlement of holders of H Shares to the Interim Dividend, the H Share register of members of the Company will be closed from Monday, 16 December 2024 to Thursday, 19 December 2024, both days inclusive, during which period no transfer of H Shares will be registered. In order for holders of H Shares to qualify for the proposed Interim Dividend, all properly completed share transfer forms together with the relevant share certificates must be lodged with the Company's H Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Friday, 13 December 2024.

Interim Condensed Consolidated Income Statement

	Note	Six months ended 30 June	
		2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Revenue	5	7,022,621	7,698,512
Cost of sales	6	(5,829,191)	(6,124,953)
Gross profit		1,193,430	1,573,559
Selling and marketing expenses	6	(23,056)	(52,728)
Administrative expenses	6	(336,723)	(383,170)
Net impairment losses on financial assets		(2,883,872)	(45,605)
Other income	8	41,675	99,753
Other (loss)/gains – net	9	(32,583)	13,646
Operating (loss)/profit		(2,041,129)	1,205,455
Finance costs	10	(13,660)	(11,593)
Share of post-tax profits of joint ventures and associates	16	19,479	11,243
(Loss)/profit before income tax		(2,035,310)	1,205,105
Income tax credit/(expenses)	11	502,997	(253,599)
(Loss)/profit for the period		(1,532,313)	951,506
(Loss)/profit attributable to:			
– Shareholders of the Company		(1,634,169)	838,952
– Non-controlling interests (“NCI”)		101,856	112,554
		(1,532,313)	951,506
(Loss)/earnings per share (expressed in RMB per share)			
– Basic and diluted (loss)/earnings per share	12	(1.15)	0.59

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

Interim Condensed Consolidated Statement of Comprehensive Income

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
(Loss)/profit for the period	(1,532,313)	951,506
Other comprehensive income		
Item that will not be reclassified to profit or loss		
– changes in fair value of financial assets at fair value through other comprehensive income, net of tax	–	–
Total comprehensive (expense)/income for the period	(1,532,313)	951,506
Attributable to:		
– Shareholders of the Company	(1,634,169)	838,952
– Non-controlling interests	101,856	112,554
	(1,532,313)	951,506

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

Interim Condensed Consolidated Balance Sheet

	Notes	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Assets			
Non-current assets			
Property, plant and equipment ("PPE")	13	635,635	632,800
Right-of-use assets	13	64,369	82,511
Investment properties	14	256,424	262,995
Other intangible assets	15	1,005,880	1,170,180
Goodwill	15	2,798,182	2,887,011
Deferred income tax assets		1,088,238	385,182
Investments accounted for using the equity method	16	1,384,243	1,202,285
Prepayments	17	968,834	923,797
Financial assets at fair value through other comprehensive income ("FVOCI")	18	12,593	12,593
Financial assets at fair value through profit or loss ("FVPL")	18	3,238	3,238
		8,217,636	7,562,592
Current assets			
Trade and other receivables and prepayments	17	8,431,127	10,206,581
Inventories		33,011	38,518
Financial assets at fair value through profit or loss	18	1,997,107	2,000,112
Restricted cash		178,831	167,912
Cash and cash equivalents		3,042,681	4,074,865
		13,682,757	16,487,988
Total assets		21,900,393	24,050,580
Equity			
Equity attributable to shareholders of the Company			
Share capital	19	1,420,001	1,420,001
Other reserves	20	5,620,787	5,625,031
Retained earnings		4,048,739	5,768,108
		11,089,527	12,813,140
Non-controlling interests		1,787,486	1,635,991
Total equity		12,877,013	14,449,131

Interim Condensed Consolidated Balance Sheet (continued)



	Notes	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Liabilities			
Non-current liabilities			
Other payables	22	9,669	2,891
Contract liabilities		80,715	83,631
Borrowings	21	167,437	115,369
Lease liabilities		25,254	42,069
Deferred income tax liabilities		276,312	313,152
		559,387	557,112
Current liabilities			
Trade and other payables	22	6,334,631	6,683,371
Contract liabilities		1,385,906	1,567,840
Current income tax liabilities		461,070	576,025
Borrowings	21	250,123	181,386
Lease liabilities		32,263	35,715
		8,463,993	9,044,337
Total liabilities		9,023,380	9,601,449
Total equity and liabilities		21,900,393	24,050,580

The above interim condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

The condensed consolidated financial statements on pages 33 to 70 were approved by the Board of Directors on 27 August 2024 and were signed on its behalf.

Chan Cheuk Hung
Director

Huang Fengchao
Director

Interim Condensed Consolidated Statement of Changes in Equity

	Attributable to shareholders of the Company						Total equity RMB'000
	Notes	Share capital	Other reserves	Retained earnings	Sub-total	Non-controlling interests	
		RMB'000 (Note 19)	RMB'000 (Note 20)	RMB'000	RMB'000	RMB'000	
Balance at 1 January 2024		1,420,001	5,625,031	5,768,108	12,813,140	1,635,991	14,449,131
<i>Comprehensive income:</i>							
(Loss)/profit for the period		-	-	(1,634,169)	(1,634,169)	101,856	(1,532,313)
Total comprehensive income		-	-	(1,634,169)	(1,634,169)	101,856	(1,532,313)
<i>Transactions with shareholders of the Company:</i>							
Dividends to the shareholders of the Company		-	-	(85,200)	(85,200)	-	(85,200)
Dividends to NCI		-	-	-	-	(39,030)	(39,030)
Acquisition of subsidiaries	25	-	-	-	-	1,215	1,215
Disposal of subsidiaries	26	-	-	-	-	89,090	89,090
Capital reduction from the NCI		-	-	-	-	(200)	(200)
Other transaction with NCI	20(ii)	-	(4,244)	-	(4,244)	(1,436)	(5,680)
		-	(4,244)	(85,200)	(89,444)	49,639	(39,805)
Balance at 30 June 2024 (Unaudited)		1,420,001	5,620,787	4,048,739	11,089,527	1,787,486	12,877,013
Balance at 1 January 2023		1,420,001	5,687,588	5,356,798	12,464,387	1,660,207	14,124,594
<i>Comprehensive income:</i>							
Profit for the period		-	-	838,952	838,952	112,554	951,506
Total comprehensive income		-	-	838,952	838,952	112,554	951,506
<i>Transactions with shareholders of the Company:</i>							
Dividends to NCI		-	-	-	-	(88,620)	(88,620)
Capital injection from the NCI		-	-	-	-	13,803	13,803
Appropriation of statutory reserves	20(i)	-	17,033	(17,033)	-	-	-
Other transaction with NCI	20(ii)	-	(77,649)	-	(77,649)	(72,129)	(149,778)
		-	(60,616)	(17,033)	(77,649)	(146,946)	(224,595)
Balance at 30 June 2023 (Unaudited)		1,420,001	5,626,972	6,178,717	13,225,690	1,625,815	14,851,505

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

Interim Condensed Consolidated Statement of Cash Flows

	Note	Six months ended 30 June	
		2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Cash flows from operating activities			
Cash (used in)/generated from operations		(42,291)	546,308
Income tax paid		(335,138)	(376,065)
Net cash (used in)/generated from operating activities		(377,429)	170,243
Cash flows from investing activities			
Purchases of PPE		(52,052)	(50,182)
Proceeds from disposal of PPE		3,840	8,219
Purchases of intangible assets	15	(739)	(530)
Proceeds from disposal of other intangible assets		10	1,413
Investments in joint ventures and associates	16	(182,519)	(102)
Cash inflow from disposals of associates		4,235	–
Loans to related parties		–	(27,523)
Loan repayments from related parties		3,740	–
Loans to third parties		(2,523,150)	(2,053,500)
Loan repayments from third parties		2,427,341	2,004,500
Interest received		7,388	12,244
Purchases of other financial assets at FVPL		(500,200)	(943,000)
Proceeds from disposal of financial assets at FVPL		513,908	968,433
Acquisition of subsidiaries (net of cash and cash equivalents acquired)		8,216	–
Acquisition of additional interest in a subsidiary		–	(17,191)
Cash inflow from disposals of subsidiaries		2,635	–
Payments of the deposits for potential acquisition		–	(6,439)
Repayments of the deposits for potential acquisition		–	100,000
Dividends received		7,242	3,717
Changes in restricted bank deposits		–	14,804
Net cash (used in)/generated from investing activities		(280,105)	14,863
Cash flows from financing activities			
Capital (reduction)/injection from NCI		(200)	13,803
Proceeds from borrowings		263,689	118,194
Repayments of borrowings		(123,184)	(75,300)
Cash advances from a third party		–	5,773
Repayments of cash advances from third parties		(339,580)	(4,298)
Lease payments		(22,351)	(23,709)
Interest paid		(12,057)	(9,486)
Other transaction with NCI		(5,680)	(148,105)
Dividends paid to shareholders		(35,500)	–
Dividends paid to non-controlling interests		(78,717)	(101,631)
Payment for written put option liabilities		(20,973)	–
Net cash used in financing activities		(374,553)	(224,759)
Net decrease in cash and cash equivalents			
Net cash and cash equivalents at beginning of the period		4,074,865	3,799,262
Effect of exchange rate changes on cash and cash equivalents		(97)	102
Cash and cash equivalents at end of the period		3,042,681	3,759,711

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

Notes to the condensed consolidated interim financial statements

1. General information

A-Living Smart City Services Co., Ltd. (the “Company”) was established in the People’s Republic of China (the “PRC”) on 26 June 1997. On 21 July 2017, the Company was converted from a limited liability company into a joint stock company with limited liability. The address of the Company’s registered office is Management Building, Xingye Road, Agile Garden, Sanxiang Town, Zhongshan, Guangdong Province, the PRC.

The Company was listed on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) on 9 February 2018.

The Company’s parent company is Zhongshan A-Living Enterprise Management Services Co., Ltd. (“Zhongshan A-Living”), an investment holding company established in the PRC, and its ultimate holding company is Agile Group Holdings Limited (“Agile Holdings”), a company incorporated in the Cayman Islands and its shares are listed on the Hong Kong Stock Exchange.

The Company and its subsidiaries (together the “Group”) are primarily engaged in the provision of property management services, related value-added services and city sanitation and cleaning services in the PRC.

These condensed consolidated financial statements are presented in Renminbi, unless otherwise stated.

The condensed consolidated financial statements have not been audited.

2. Basis of preparation

This condensed consolidated interim financial information for the six months ended 30 June 2024 (“Interim Financial Information”) has 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”) and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Interim Financial Information does not include all the notes of the type normally included in an annual financial report. Accordingly, the Interim Financial Information is to be read in conjunction with the annual report of the Group for the year ended 31 December 2023 and any public announcements made by the Company during the interim reporting period.



3. Accounting policies

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the estimation of income tax (see Note 3(a)) and the adoption of new and amended standards as set out below.

(a) Income taxes

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

(b) Amended standards adopted by the Group

A number of amended standards became applicable for the current reporting period. The Group did not change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

(c) New and amendments to existing standards have been issued but are not effective for the financial year beginning on 1 January 2024 and have not been early adopted by the Group:

		Effective for accounting periods beginning on or after
Amendments to HKAS 21 and HKFRS 1	Lack of exchangeability (amendments)	1 January 2025
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments (amendments)	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Hong Kong Interpretation 5	Hong Kong Interpretation 5 Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause (amendments)	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associates or Joint Ventures	To be determined

The Group has already commenced an assessment of the impact of these new or revised standards and amendments. The adoption of these new and amended standards is not expected to have a material impact to the results or financial position of the Group.

4. 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 segments, has been identified as the executive directors of the Company.

During the six months ended 30 June 2024 and 2023, the Group was principally engaged in the provision of (i) property management services, (ii) related value-added services, including pre-delivery services, household assistance services, property agency services and other services, and (iii) city sanitation and cleaning services in the PRC.

All the acquired subsidiaries were principally engaged in the provision of property management services and city sanitation and cleaning services and related value-added services. After acquisition, the management integrated the acquired business with the original business. Management reviews the operating results of the integrated business as a single reporting segment to make decisions about resources to be allocated, as the nature of services, the type of customers for services, the method used to provide their services and the nature of regulatory environment is same in different regions.

For the six months ended 30 June 2024 and 2023, all the operating segments are domiciled in the PRC and all the revenues are derived in the PRC.

As at 30 June 2024 and 31 December 2023, the non-current assets of the Group were located in the PRC.

5. Revenue

Revenue mainly comprises proceeds from property management services, related value-added services and city sanitation and cleaning services. An analysis of the Group’s revenue by category for the six months ended 30 June 2024 and 2023 was as follows:

		Six months ended 30 June	
		2024	2023
Timing of revenue recognition		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Property management services	over time	5,371,520	5,267,285
Value-added services related to property management			
– Other value-added services	over time	867,078	1,374,416
– Sales of goods	at a point in time	136,908	382,948
City sanitation and cleaning services	over time	647,115	673,863
		7,022,621	7,698,512



6. Expenses by nature

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Employee benefit expenses (note 7)	2,898,928	3,060,042
Cleaning expenses	801,003	823,273
Security charges	771,240	797,006
Maintenance costs	286,579	300,987
Utilities	309,090	256,584
Cost of consumables	197,185	210,234
Depreciation and amortisation charges	188,659	188,527
Cost of goods sold	131,673	341,290
Greening and gardening expenses	169,051	156,279
Travelling and entertainment expenses	58,114	47,985
Consulting fees	38,847	26,123
Transportation expenses and customer service charges	33,067	45,151
Office expenses	28,607	36,917
Taxes and other levies	30,426	33,098
Rental expenses related to short-term and low-value leases	41,451	42,426
Advertising expenses	13,464	21,023
Catering outsourcing fee	15,229	12,394
Others	176,357	161,512
	6,188,970	6,560,851

7. Employee benefit expenses

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Wages and salaries and bonus	2,398,234	2,501,316
Contribution to pension scheme (note)	269,383	285,153
Housing benefits	51,788	58,673
Other employee benefits	179,523	214,900
Total (including emoluments of directors and supervisors)	2,898,928	3,060,042

Note: Employees in the Group's PRC subsidiaries are required to participate in a defined contribution retirement scheme administered and operated by the local municipal government. The Group's PRC subsidiaries contribute funds which are calculated based on certain percentages of the average employee salary as agreed by local municipal government to the scheme to fund the retirement benefits of the employees.

The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contributions.

8. Other income

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest income		
– from deposits and loans to third parties	30,250	65,381
– from loans to related parties	223	384
Government grants (note (i))	7,116	20,333
Tax incentives (note (ii))	2,555	12,923
Rental income	434	351
Miscellaneous	1,097	381
	41,675	99,753

Notes:

- (i) Government grants consisted mainly of financial subsidies granted by the local governments. There are no unfulfilled conditions attached to the government grants recognised during the six months ended 30 June 2024.
- (ii) Tax incentives mainly included additional deduction of input value-added tax in relation to the community services provided by the Company and its certain subsidiaries.



9. Other (loss)/gains – net

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Net fair value gains on financial assets at FVPL	50	14,891
Gains on redemption and disposal on financial assets at FVPL	15,653	2,933
Losses from disposal of investments accounted for using equity method	(28,156)	–
Losses from disposal of subsidiaries	(12,655)	–
Exchange (losses)/gains	(97)	102
Fair value losses on investment properties (note 14)	(6,571)	(6,036)
Losses on disposal of PPE	(750)	(582)
Miscellaneous	(57)	2,338
	(32,583)	13,646

10. Finance costs

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest expenses of borrowings	12,057	9,486
Unwinding of discount on financial liabilities for put options (note 18(b))	–	313
Interest and finance charges paid/payable for lease liabilities	1,603	1,794
	13,660	11,593

11. Income tax (credit)/expenses

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current income tax		
– PRC corporate income tax	236,899	250,171
Deferred income tax		
– PRC corporate income tax	(739,896)	3,428
	(502,997)	253,599

11. Income tax (credit)/expenses (Continued)

PRC corporate income tax

Income tax provision of the Group in respect of operations in Mainland China has been calculated at the applicable tax rate on the estimated assessable profits for the period, based on the existing legislation, interpretations and practices in respect thereof.

The corporate income tax rate applicable to the group entities located in Mainland China is 25% (six months ended 30 June 2023: 25%) according to the Corporate Income Tax Law of the PRC.

In 2020, Guangzhou Yatian Network Technology Co., Ltd. ("Guangzhou Yatian") obtained the Certificate of High and New Technology Enterprise with valid period from 2020 to 2022. In 2023, Guangzhou Yatian renewed the certificate and continues to enjoy the preferential income tax rate with three-year valid. The tax rate applicable to Guangzhou Yatian during the period ended 30 June 2024 was 15% (30 June 2023: 15%).

Certain subsidiaries of the Group in the PRC are located in western cities and subject to a preferential income tax rate of 15% for certain years (six months ended 30 June 2023: 15%).

Certain subsidiaries of the Group in the PRC are located in Hainan Free Trade Port and subject to a preferential income tax rate of 15% for certain years (six months ended 30 June 2023: 15%).

Certain of the Group's subsidiaries enjoy the preferential income tax treatment for Small and Micro Enterprise with the income tax rate of 20% and are eligible to have their tax calculated based 25% (six months ended 30 June 2023: 25%) of their taxable income.

Hong Kong income tax

No Hong Kong profits tax was applicable to the Group for the six months ended 30 June 2024 and 2023. There were three subsidiaries incorporated in Hong Kong. No Hong Kong profits tax was provided for those three Hong Kong subsidiaries as there was no estimated taxable profits that was subject to Hong Kong profits tax during six months ended 30 June 2024 and 2023.

12. (Loss)/earnings per share

The calculation of basic loss per share is based on the loss attributable to equity holders of the Company of RMB1,634,169,000 (30 June 2023: profit of RMB838,952,000) and on the weighted average number of 1,420,000,800 ordinary shares in issue during the period ended 30 June 2024 and 2023.

The Company did not have any potential ordinary shares outstanding during the six months ended 30 June 2024 and 2023. Diluted (loss)/earnings per share was equal to basic (loss)/earnings per share.

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
(Loss)/profit attributable to the shareholders of the Company (RMB'000)	(1,634,169)	838,952
Weighted average number of ordinary shares in issue (in thousands)	1,420,001	1,420,001
Basic (loss)/earnings per share for (loss)/profit attributable to the shareholders of the Company during the period (expressed in RMB per share)	(1.15)	0.59

13. Property, plant and equipment and right-of-use assets

	Buildings	Transportation equipment	Office equipment	Machinery	Subtotal	Right-of-use assets	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2024							
Cost	135,721	199,663	45,032	560,770	941,186	144,040	1,085,226
Accumulated depreciation	(32,630)	(79,039)	(21,106)	(175,611)	(308,386)	(61,529)	(369,915)
Net book amount	103,091	120,624	23,926	385,159	632,800	82,511	715,311
Six months ended 30 June 2024 (Unaudited)							
Opening net book amount	103,091	120,624	23,926	385,159	632,800	82,511	715,311
Additions	40,365	4,532	3,531	42,763	91,191	10,070	101,261
Acquisition of subsidiaries	-	-	-	87	87	322	409
Disposals	-	(1,283)	(1,013)	(8,552)	(10,848)	(2,572)	(13,420)
Disposal of subsidiaries	-	(1,049)	(876)	(1,278)	(3,203)	(8,780)	(11,983)
Depreciation charge	(2,301)	(16,946)	(5,130)	(50,015)	(74,392)	(17,182)	(91,574)
Closing net book amount	141,155	105,878	20,438	368,164	635,635	64,369	700,004
As at 30 June 2024 (Unaudited)							
Cost	176,047	195,692	41,902	579,675	993,316	128,254	1,121,570
Accumulated depreciation	(34,892)	(89,814)	(21,464)	(211,511)	(357,681)	(63,885)	(421,566)
Net book amount	141,155	105,878	20,438	368,164	635,635	64,369	700,004
As at 1 January 2023							
Cost	165,578	180,700	59,875	413,847	820,000	147,666	967,666
Accumulated depreciation	(34,165)	(48,990)	(28,813)	(105,489)	(217,457)	(95,950)	(313,407)
Net book amount	131,413	131,710	31,062	308,358	602,543	51,716	654,259
Six months ended 30 June 2023 (Unaudited)							
Opening net book amount	131,413	131,710	31,062	308,358	602,543	51,716	654,259
Additions	295	5,098	7,308	37,481	50,182	61,786	111,968
Disposals	-	(6,436)	(377)	(1,988)	(8,801)	-	(8,801)
Depreciation charge	(2,174)	(18,563)	(8,205)	(35,441)	(64,383)	(20,665)	(85,048)
Closing net book amount	129,534	111,809	29,788	308,410	579,541	92,837	672,378
As at 30 June 2023 (Unaudited)							
Cost	162,890	175,431	63,424	443,540	845,285	158,594	1,003,879
Accumulated depreciation	(33,356)	(63,622)	(33,636)	(135,130)	(265,744)	(65,757)	(331,501)
Net book amount	129,534	111,809	29,788	308,410	579,541	92,837	672,378

As at 30 June 2024, certain self-used PPE with net book value of RMB121,777,000 (31 December 2023: RMB89,455,000) were pledged as collateral for the Group's borrowings (note 21).

14. Investment properties

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Commercial properties:		
At beginning of the period	262,995	252,796
Additions	–	26,460
Revaluation losses recognised in profit and loss (note 9)	(6,571)	(6,036)
At end of the period	256,424	273,220

Notes:

- (i) Amounts recognised in the condensed consolidated income statement for investment properties:

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Rental income (note 8)	434	351

- (ii) As at 30 June 2024, certain investment properties with market value of RMB27,745,000 (31 December 2023: RMB15,965,000) were pledged as collateral for the Group's borrowings (note 21).
- (iii) As at 30 June 2024, the Group had no unprovided contractual obligations for future repairs and maintenance (31 December 2023: nil).
- (iv) **Fair value hierarchy**
As at 30 June 2024, all of the Group's investment properties were within level 3 of the fair value hierarchy as the valuation were arrived at by reference to certain significant unobservable inputs. There were no transfers between level 1, 2 and 3 during the period (31 December 2023: nil).

14. Investment properties (Continued)

(v) Valuation processes and techniques

The Group measures its investment properties at fair value. The investment properties were valued by the management as at 30 June 2024. Methods and key assumptions in determining the fair value of the investment properties as at respective dates are disclosed as follows:

Fair value measurements used significant unobservable inputs (level 3).

Fair values of investment properties are evaluated by using direct comparison approach, which is adopted assuming sale of each of these properties in its existing state with the benefit of vacant possession. By making reference to sales transactions as available in the relevant market, comparable properties in close proximity have been selected and adjustments have been made to account for the difference in factors such as location and property size.

The main level 3 input used by the Group is market price.

(vi) Valuation inputs and relationships to fair value

Description	Fair value as at 30 June 2024 RMB'000	Unobservable inputs	Range of inputs (probability-weighted average)	Relationship of unobservable inputs to fair value
Office buildings	256,424	Market price (RMB/square meter)	14,000-51,000	The higher the market price, the higher the fair value

15. Other intangible assets and goodwill

	Computer software RMB'000	Trademarks RMB'000	Customer relationship and backlogs RMB'000	Subtotal RMB'000	Goodwill RMB'000	Total RMB'000
As at 1 January 2024						
Cost	51,276	63,802	1,824,143	1,939,221	3,314,901	5,254,122
Accumulated amortisation	(26,343)	(29,749)	(712,949)	(769,041)	-	(769,041)
Accumulated impairment	-	-	-	-	(427,890)	(427,890)
Net book amount	24,933	34,053	1,111,194	1,170,180	2,887,011	4,057,191
Six months ended 30 June 2024 (Unaudited)						
Opening net book amount	24,933	34,053	1,111,194	1,170,180	2,887,011	4,057,191
Additions	739	-	-	739	-	739
Acquisition of subsidiaries	-	-	-	-	618	618
Disposals	(10)	-	-	(10)	-	(10)
Disposal of subsidiaries	(42)	(28,730)	(39,172)	(67,944)	(89,447)	(157,391)
Amortisation charges	(3,617)	(1,153)	(92,315)	(97,085)	-	(97,085)
Closing net book amount	22,003	4,170	979,707	1,005,880	2,798,182	3,804,062
As at 30 June 2024 (Unaudited)						
Cost	51,753	28,860	1,764,003	1,844,616	3,145,544	4,990,160
Accumulated amortisation	(29,750)	(24,690)	(784,296)	(838,736)	-	(838,736)
Accumulated impairment	-	-	-	-	(347,362)	(347,362)
Net book amount	22,003	4,170	979,707	1,005,880	2,798,182	3,804,062
As at 1 January 2023						
Cost	52,026	63,342	1,824,143	1,939,511	3,314,901	5,254,412
Accumulated amortisation	(22,220)	(26,153)	(518,889)	(567,262)	-	(567,262)
Net book amount	29,806	37,189	1,305,254	1,372,249	3,314,901	4,687,150
Six months ended 30 June 2023 (Unaudited)						
Opening net book amount	29,806	37,189	1,305,254	1,372,249	3,314,901	4,687,150
Additions	530	-	-	530	-	530
Disposals	(1,413)	-	-	(1,413)	-	(1,413)
Amortisation charges	(2,571)	(1,685)	(99,223)	(103,479)	-	(103,479)
Closing net book amount	26,352	35,504	1,206,031	1,267,887	3,314,901	4,582,788
As at 30 June 2023 (Unaudited)						
Cost	50,050	63,342	1,824,143	1,937,535	3,314,901	5,252,436
Accumulated amortisation	(23,698)	(27,838)	(618,112)	(669,648)	-	(669,648)
Net book amount	26,352	35,504	1,206,031	1,267,887	3,314,901	4,582,788

As the result of management assessment, no impairment provision on goodwill was recognised during the period ended 30 June 2024 and 2023 and the accumulated impairment provision on goodwill was amounted to RMB347,362,000 (31 December 2023: RMB427,890,000).

16. Investments accounted for using the equity method

In the opinion of the directors, there is no associate and joint venture individually material to the Group.

The carrying amount of equity-accounted investments has changed as follows in the six months ended 30 June 2024 and 2023:

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
At beginning of the period	1,202,285	1,169,571
Additions	182,519	102
Share of post-tax profits of joint ventures and associates	19,479	11,243
Dividends declared	(4,569)	(3,717)
Disposal arising from disposals of subsidiaries	(19,034)	–
Transfer from subsidiaries	24,486	–
Transfer to subsidiaries	(20,923)	–
At end of the period	1,384,243	1,177,199

17. Trade and other receivables and prepayments

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Trade receivables (note (i))		
– Related parties (note 24(d))	3,529,736	3,387,830
– Third parties	5,004,517	4,319,695
	8,534,253	7,707,525
Less: allowance for impairment of trade receivables	(3,291,002)	(1,053,795)
	5,243,251	6,653,730
Other receivables		
– Related parties (note (ii) and 24(d))	914,143	875,453
– Third parties (note (iii))	2,728,474	2,474,646
	3,642,617	3,350,099
Less: allowance for impairment of other receivables	(914,287)	(266,888)
	2,728,330	3,083,211
Prepayments		
– Related parties (note 24(d))	287,595	287,396
– Third parties	1,145,501	1,110,757
	1,433,096	1,398,153
Less: allowance for impairment of prepayments	(4,716)	(4,716)
	1,428,380	1,393,437
Subtotal	9,399,961	11,130,378
Less: non-current portion of prepayments	(968,834)	(923,797)
	8,431,127	10,206,581

17. Trade and other receivables and prepayments (Continued)

Notes:

- (i) Trade receivables mainly represented the receivables of outstanding property management service fee and the receivables of value-added service income and city sanitation and cleaning service income.

Property management services income, value-added service income and city sanitation and cleaning service income are received in accordance with the terms of the relevant services agreements, and due for payment upon the issuance of demand note.

The Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of receivables and adjusts for forward looking macroeconomic data.

As at 30 June 2024 and 31 December 2023, the aging analysis of the trade receivables based on invoice date were as follows:

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Trade receivables		
Up to 1 year	4,089,139	4,012,222
1 to 2 years	3,082,081	2,802,837
2 to 3 years	839,404	565,314
Over 3 years	523,629	327,152
	8,534,253	7,707,525

Trade receivables of RMB44,463,000 (31 December 2023: RMB65,422,000) were pledged as collateral for a subsidiary's borrowings. The associated secured borrowings amounted to RMB24,320,000 (31 December 2023: RMB44,167,000) (Note 21).

- (ii) Included in receivables due from related parties as at 30 June 2024, there were (i) deposit of RMB700,000,000 (31 December 2023: RMB700,000,000) paid to Agile Holdings for the parking space leasing and sales agency service which is secured by certain car-parking space of Agile Holdings; (ii) interest-bearing advances to related parties of RMB75,523,000 (31 December 2023: RMB79,544,000), which are unsecured, interest bearing at 0.5% (31 December 2023: 0% to 0.5%) per annum and are repayable within one year or on demand, and (iii) rental deposits which are repayable upon maturity of rental period according to the respective contracts.
- (iii) Other receivables mainly comprised of deposits, advances to third parties, and payments on behalf of residents, included advances to third parties amounting to RMB702,728,000 (31 December 2023: RMB1,223,040,000) as at 30 June 2024, which are bearing interest from 2% to 5% per annum (31 December 2023: 2% to 7% per annum) to be repaid within one year.
- (iv) As at 30 June 2024 and 31 December 2023, trade and other receivables were denominated in RMB and the fair values of trade and other receivables approximated their carrying amounts.

18. Fair value estimation

(a) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

Recurring fair value measurements at 30 June 2024	Level 1 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets			
Financial assets at FVPL			
Wealth management products	–	300	300
Funds and trusts	–	1,990,659	1,990,659
Hong Kong listed equity securities	1,148	–	1,148
Contingent consideration	–	3,238	3,238
Unlisted limited partnership	–	5,000	5,000
	1,148	1,999,197	2,000,345
Financial assets at FVOCI			
Unlisted equity securities	–	12,593	12,593
Total financial assets	1,148	2,011,790	2,012,938
Recurring fair value measurements at 31 December 2023	Level 1 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets			
Financial assets at FVPL			
Wealth management products	–	3,000	3,000
Funds and trusts	–	1,996,014	1,996,014
Hong Kong listed equity securities	1,098	–	1,098
Contingent consideration	–	3,238	3,238
	1,098	2,002,252	2,003,350
Financial assets at FVOCI			
Unlisted equity securities	–	12,593	12,593
Total financial assets	1,098	2,014,845	2,015,943

18. Fair value estimation (Continued)

(a) Fair value hierarchy (Continued)

The different levels have been defined as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for some types of wealth management products, structural deposits, contingent consideration and put option liability.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques.

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the period. For transfers into and out of level 3 measurements see (b) below.

18. Fair value estimation (Continued)

- (b) The Group's financial assets and liabilities at fair values included unlisted equity securities, wealth management products, funds and trusts, contingent consideration and financial liabilities for put options, fair value of which are estimated based on unobservable inputs (level 3). The following table presents the changes in level 3 instruments for six months ended 30 June 2024 and 2023:

	Financial assets at FVPL RMB'000	Financial assets at FVOCI RMB'000	Financial liabilities for put options RMB'000	Total RMB'000
Opening balance as at 1 January 2024	2,002,252	12,593	-	2,014,845
Addition	500,200	-	-	500,200
Gains recognised in profit or loss	15,653	-	-	15,653
Disposal of subsidiaries	(5,000)	-	-	(5,000)
Disposal and settlements	(513,908)	-	-	(513,908)
Closing balance as at 30 June 2024 (Unaudited)	1,999,197	12,593	-	2,011,790
Including unrealised gains recognised in profit attributable to balances held at 30 June 2024	-	-	-	-
Opening balance as at 1 January 2023	1,044,738	12,593	(144,333)	912,998
Addition	943,000	-	-	943,000
Net fair value gains on FVPL	15,681	-	-	15,681
Finance costs (note 10)	-	-	(313)	(313)
Disposal	(1,500)	-	-	(1,500)
Transfer to other payables upon exercise	-	-	144,646	144,646
Closing balance as at 30 June 2023 (Unaudited)	2,001,919	12,593	-	2,014,512
Including unrealised gains recognised in profit attributable to balances held at 30 June 2023	15,681	-	-	15,681

18. Fair value estimation (Continued)

(c) Quantitative information about fair value measurements using significant unobservable inputs (Level 3) is as follow:

Description	Fair value at 30 June 2024 RMB'000	Valuation techniques	Unobservable input	Range of inputs	Relationship of unobservable inputs to fair value
Wealth management products	300	Discounted cash flow	Expected interest rate per annum	4.51%	A change in expected interest rate per annum +/- 10% results in a change in fair value by RMB1,300
Trusts	1,990,659	Income approach	Expected yield rate per annum	2.00%-6.01%	A change in expected yield rate per annum +/- 10% results in a change in fair value by RMB5,719,000
Contingent consideration	3,238	Discounted cash flow	Expected net profit	RMB414,960,000	A change in expected net profit +/- 10% results in a decrease in fair value by RMB2,914,000
Unlisted equity securities	12,593	Guideline public companies method	Expected net profit	RMB4,690,000	A change in expected net profit +/- 10% results in a change in fair value by RMB1,561,000
Unlisted limited partnership	5,000	Share of net assets	N/A	N/A	N/A

19. Share capital

	Number of shares		Share Capital	
	30 June 2024	31 December 2023	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Issued and fully paid	1,420,000,800	1,420,000,800	1,420,001	1,420,001

20. Other reserves

	Share premium RMB'000	Statutory reserve RMB'000	Others RMB'000	Total RMB'000
As at 1 January 2024	5,251,083	398,168	(24,220)	5,625,031
Other transaction with NCI (note (ii))	(4,244)	–	–	(4,244)
As at 30 June 2024 (Unaudited)	5,246,839	398,168	(24,220)	5,620,787
As at 1 January 2023	5,251,083	384,103	52,402	5,687,588
Appropriation of statutory reserves (note (i))	–	17,033	–	17,033
Other transaction with NCI (note (ii))	(77,649)	–	–	(77,649)
As at 30 June 2023 (Unaudited)	5,173,434	401,136	52,402	5,626,972

(i) PRC statutory reserves

In accordance with relevant rules and regulations in the PRC, except for sino-foreign equity joint venture enterprises, all PRC companies are required to transfer 10% of their profit after taxation calculated under PRC accounting rules and regulations to the statutory reserve fund, until the accumulated total of the fund reaches 50% of their registered capital. The statutory reserve fund can only be used, upon approval by the relevant authority, to offset losses carried forward from previous years or to increase capital of the respective companies.

(ii) Other transaction with NCI

During the six months ended 30 June 2024, the Group acquired additional equity interests of certain subsidiaries from the NCI at an aggregate consideration of RMB5,678,000 (30 June 2023: RMB148,105,000). The difference of RMB4,244,000 (30 June 2023: RMB77,612,000) between the carrying value of the non-controlling interests and the consideration paid was recorded as other reserve.

During the six months ended 30 June 2024, the Group has no disposed equity interests of certain subsidiaries from NCI at nil consideration (30 June 2023: certain subsidiaries from NCI at an aggregate consideration of RMB2,450,000). No difference between the carrying value of the non-controlling interests and the consideration paid was recorded as other reserve (30 June 2023: RMB37,000).



21. Borrowings

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Non-current liabilities:		
– secured	35,401	40,056
– unsecured	132,036	75,313
	167,437	115,369
Current liabilities:		
– secured	114,527	105,778
– unsecured	135,596	75,608
	250,123	181,386
Total bank and other borrowings	417,560	296,755

The Group's borrowings as at 30 June 2024 of RMB149,928,000 (31 December 2023: RMB145,834,000) were mainly secured by certain self-used PPE of the Group with net book amount of RMB121,777,000 (31 December 2023: RMB89,455,000), pledged by certain investment properties with market value of RMB27,745,000 (31 December 2023: RMB15,965,000) and trade receivables of RMB44,463,000 (31 December 2023: RMB65,422,000).

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

22. Trade and other payables

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Trade payables		
– Related parties (note 24(d))	85,257	57,824
– Third parties	2,724,233	2,886,533
	2,809,490	2,944,357
Other payables		
– Related parties (note 24(d))	135,157	104,052
– Third parties	2,349,410	2,318,913
	2,484,567	2,422,965
Dividends payables	128,678	118,664
Accrued payroll	847,154	1,047,219
Other taxes payables	74,411	153,057
Total trade and other payables	6,344,300	6,686,262
Less: non-current portion of other payables	(9,669)	(2,891)
Current portion of trade and other payables	6,334,631	6,683,371

As at 30 June 2024 and 31 December 2023, the aging analysis of the trade payables (including amounts due to related parties in trade nature) based on invoice date were as follows:

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Up to 1 year	2,407,020	2,624,448
1 to 2 years	265,861	264,720
2 to 3 years	116,085	35,482
Over 3 years	20,524	19,707
	2,809,490	2,944,357

As at 30 June 2024 and 31 December 2023, trade and other payables were all denominated in RMB and the fair values of trade and other payables approximated their carrying amounts.

23. Dividends

On 27 August 2024, the board of directors has resolved to declare an interim dividend of RMB0.03 per share (30 June 2023: RMB0.025 per share), which is payable to shareholders whose names appear on the Company's register of members on 19 December 2024, and the amount of which will be subject to the approval of the shareholders at the forthcoming extraordinary general meeting of the Company. This interim dividend, amounting to RMB42,600,000 (30 June 2023: RMB35,500,000), has not been recognised as a liability in the interim condensed consolidated financial statements. It will be recognised in equity in the year ending 31 December 2024.

24. Related party transactions

(a) Name and relationship with related parties

Name	Relationship
Agile Holdings and its subsidiaries 雅居樂集團控股有限公司及其附屬公司	Ultimate holding company and its subsidiaries
Founding Shareholders, including Mr. Chen Zhuo Lin, Mr. Chan Cheuk Yin, Ms. Luk Sin Fong, Fion, Mr. Chan Cheuk Hung, Mr. Chan Cheuk Hei, and Mr. Chan Cheuk Nam (the "Founding Shareholders")	Founding shareholders of Agile Holdings
Zhongshan A-Living 中山雅生活企業管理服務有限公司	Controlling shareholder of the Company
Deluxe Star International Limited 旺紀國際有限公司	Intermediate holding company
Greenland Holdings and its subsidiaries (Note) 綠地控股集團有限公司及其附屬公司	A shareholder having significant influence on the Company and its subsidiaries
CMIG Futurelife Holding Group Co., Ltd. * ("CMIG") and its subsidiaries 中民未來控股集團有限公司及其附屬公司	Non-controlling shareholder with significant influence and its subsidiaries

24. Related party transactions (Continued)

(a) Name and relationship with related parties (Continued)

Name	Relationship
Zhongshan Agile Changjiang Hotel Co., Ltd* 中山雅居樂長江酒店有限公司	Controlled by the Founding Shareholders
Zhongshan Changjiang Golf Course* 中山長江高爾夫球場	Controlled by the Founding Shareholders
Chengdu Xueling Enterprise Management Co., Ltd.* 成都雪瓚企業管理有限公司	Associate of Agile Holdings
Jinzhong Jintianheyi Property Development Co., Ltd.* 晉中錦添合意房地產開發有限公司	Associate of Agile Holdings
Sichuan Yacan Real Estate Development Co., Ltd.* 四川雅燦房地產開發有限公司	Associate of Agile Holdings
Foshan Sanshui Qingmei Real Estate Development Co., Ltd.* 佛山市三水區擎美房地產有限公司	Associate of Agile Holdings
Sichuan Yaheng Real Estate Development Co., Ltd.* 四川雅恒房地產開發有限公司	Associate of Agile Holdings
Avic Meili Urban and Rural Sanitation Group Co., Ltd.* 中航美麗城鄉環衛集團有限公司	Associate of the Group
Nanjing Haiyue Property Management Co., Ltd* 南京海玥物業管理有限公司	Associate of the Group
Shanghai Zunrong Security Service Co., Ltd. 上海尊榮保安服務有限公司	Associate of the Group



24. Related party transactions (Continued)

(a) Name and relationship with related parties (Continued)

Name	Relationship
Shenzhen Huilongcheng Property Management Co., Ltd* 深圳市匯龍城物業管理有限公司	Associate of the Group
Square Asset Management Limited.*	Associate of the Group
Tianjin Zhuosen Business Management Co., Ltd.* 天津卓森商業管理有限公司	Associate of the Group
Huizhou Huiyang Agile Real Estate Development Co., Ltd* 惠州市惠陽雅居樂房地產開發有限公司	Joint venture of Agile Holdings
Beihai Yaguang Property Development Co., Ltd.* 北海雅廣房地產開發有限公司	Joint venture of Agile Holdings
Guangxi Fuya Investments Co., Ltd.* 廣西富雅投資有限公司	Joint venture of Agile Holdings
Henan Yafu Property Co., Ltd.* 河南雅福置業有限公司	Joint venture of Agile Holdings
Huizhou Bailuhu Tour Enterprise Development Co., Ltd.* 惠州白鷺湖旅遊實業開發有限公司	Joint venture of Agile Holdings
Weihai Yalan Investment Development Co., Ltd.* 威海雅藍投資開發有限公司	Joint venture of Agile Holdings

24. Related party transactions (Continued)

(a) Name and relationship with related parties (Continued)

Name	Relationship
Zhuhai Yahan Real Estate Development Co., Ltd.* 珠海市雅瀚房地產開發有限公司	Joint venture of Agile Holdings
Zhuhai Yahao Real Estate Development Co., Ltd.* 珠海市雅灝房地產開發有限公司	Joint venture of Agile Holdings
Kaifeng Fenghui Property Co., Ltd.* 開封豐輝置業有限公司	Joint venture of Agile Holdings
Guigang Shenghe Property Service Co., Ltd.* 貴港市盛和物業服務有限公司	Joint venture of the Group
Hangzhou Songya Property Services Co., Ltd.* 杭州宋雅物業服務有限公司	Joint venture of the Group
Qingdao Qinglv City Services Co., Ltd.* 青島青旅城市服務有限公司	Joint venture of the Group

The above table lists the principal related parties of the Group which, in the opinion of the directors, principally affect the results and net assets of the Group.

* The English name of the related parties represents the best effort by the management of the Group in translating their Chinese names as they do not have an official English name.



24. Related party transactions (Continued)

(b) Transactions with related parties

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Provision of services		
Entities controlled by Agile Holdings	167,705	640,172
Greenland Holdings and entities controlled by Greenland Holdings*	–	82,993
Joint ventures and associates of Agile Holdings	34,973	63,167
Joint ventures and associates of the Group	3,693	4,283
Entities controlled by the Founding Shareholders	221	301
Joint ventures of Greenland Holdings	–	864
	206,592	791,780
Purchase of goods and services		
Associates of the Group	62,233	48,271
Joint venture and associates of Agile Holdings	1,344	–
Greenland Holdings and entities controlled by Greenland Holdings*	–	5,066
Entities controlled by Agile Holdings	4,216	5,242
	67,793	58,579
Interest income on loans due from related parties		
Associates of the Group (note 8)	223	384
Rental expenses related to short-term and low-value leases		
Entities controlled by the Founding Shareholders	2,017	1,133
Entities controlled by Agile Holdings	750	688
	2,767	1,821
Interest expense for lease liabilities		
Entities controlled by Agile Holdings	89	48
A Founding Shareholder of Agile Holdings	22	8
	111	56
Payments of lease liabilities		
Entities controlled by Agile Holdings	40	520
A Founding Shareholder of Agile Holdings	180	220
	220	740

All of the transactions above were carried out in the normal course of the Group's business and on terms as agreed between the transaction parties.

24. Related party transactions (Continued)

(c) Key management compensation

Compensations for key management including emoluments of directors and supervisors during the period were as follows:

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Salaries and other short-term employee benefits	3,325	2,085
Contribution to pension scheme	231	76
	3,556	2,161

(d) Balances with related parties

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Due from related parties		
Trade receivables		
Entities controlled by Agile Holdings	3,058,614	2,911,642
Joint ventures and associates of Agile Holdings	460,110	467,196
Joint ventures and associates of the Group	9,875	8,741
Entities controlled by the Founding Shareholders	1,137	251
	3,529,736	3,387,830
Other receivables		
Joint ventures and associates of the Group	89,235	80,771
Entities controlled by Agile Holdings	803,598	775,475
Joint ventures and associates of Agile Holdings	18,865	15,563
Entities controlled by the Founding Shareholders	2,445	3,644
	914,143	875,453



24. Related party transactions (Continued)

(d) Balances with related parties (Continued)

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Due from related parties (Continued)		
Prepayments		
Joint ventures and associates of the Group	2,396	2,153
Entities controlled by Agile Holdings (note (i))	284,742	282,757
Joint ventures and associates of Agile Holdings	457	2,486
	287,595	287,396
Total receivables due from related parties	4,731,474	4,550,679
Due to related parties		
Trade payables		
Joint ventures and associates of the Group	67,774	37,399
Entities controlled by Agile Holdings	13,743	17,943
Entities controlled by the Founding Shareholders	1,149	1,153
Joint ventures and associates of Agile Holdings	2,591	1,329
	85,257	57,824
Other payables (Note (ii))		
Entities controlled by Agile Holdings	126,902	96,476
Joint ventures and associates of the Group	6,965	6,576
Joint ventures and associates of Agile Holdings	1,189	980
Entities controlled by the Founding Shareholders	101	20
	135,157	104,052
Contract liabilities		
Entities controlled by Agile Holdings	6,034	5,421
Joint ventures and associates of Agile Holdings	2,613	1,000
Joint ventures and associates of the Group	6	53
	8,653	6,474
Total payable due to related parties	229,067	168,350

24. Related party transactions (Continued)

(d) Balances with related parties (Continued)

Notes:

- (i) The balances mainly represent underlying properties developed by Agile Holdings which are expected to be used for settlement of payables due from the Group to third-party suppliers, sales or letting out the properties to third-parties.
- (ii) Other payables due to related parties mainly represented the receipts of communal area income on behalf of the properties' owners, which are interest-free and repayable on demand.

* A director who had significant influence over the Group and was a member of the key management personnel of Greenland Holdings led to the Group considering Greenland Holdings, along with its subsidiaries and joint ventures, as related parties in accordance with HKAS 24 Related Party Disclosures for the period ended 30 June 2023. Subsequent to the director's retirement in July 2023, these entities are no longer considered related parties of the Group.

(e) Loans and interest receivables due from related parties

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
As at beginning of the period	79,544	16,117
Addition	–	27,523
Interest income (note 8)	223	384
Non-cash changes	(504)	–
Repayments from related parties	(3,740)	–
As at end of the period	75,523	44,024

Loans due from related parties bear an interest rate ranging at 0.5% per annum and are repayable in one year.

25. Business combinations

During the period ended 30 June 2024, the Group completed the acquisitions of certain companies at an aggregated purchase consideration of RMB17,532,000. Total identifiable net assets of these entities as at their respective acquisition dates amounted to RMB16,914,000.

Goodwill of RMB618,000 primarily arose from the expected future development of these companies' business, improvement on market coverage, enriching the service portfolio, integrating value-added services, and improvement on management efficiency, etc. Goodwill recognised is not expected to be deductible for income tax purposes.

Details of the purchase considerations, the net assets acquired are as follows:

	As at the respective acquisition dates
	RMB'000
Purchase consideration	
Cash consideration	9,966
Transfer from associates	7,566
Total purchase consideration	17,532
Recognised amounts of identifiable assets acquired and liabilities assumed	
PPE (Note 13)	87
Right-of-use assets (Note 13)	322
Deferred income tax assets	37
Inventories	7
Trade and other receivables	20,304
Cash and cash equivalents	18,182
Trade and other payables	(19,882)
Borrowings	(300)
Lease liabilities	(361)
Contract liabilities	(267)
Total identifiable net assets	18,129
Less: non-controlling interests	(1,215)
Identifiable net assets attributable to the Group	16,914
Goodwill (Note 15)	618

(a) Net cash inflow arising on acquisition during the period ended 30 June 2024:

	RMB'000
Cash consideration	9,966
Less: Cash and cash equivalents acquired	(18,182)
Cash inflow for the period	(8,216)

25. Business combinations (Continued)

(b) Revenue and profit contribution

The acquired businesses contributed revenues of RMB12,533,000 and net profits of RMB1,022,000 the Group for the period from the acquisition date to 30 June 2024.

If the acquisitions had occurred on 1 January 2024, the Group's consolidated pro-forma revenue and comprehensive income for the period ended 30 June 2024 would have been RMB7,023,581,000 and net losses of RMB1,532,596,000 respectively.

No contingent liability has been recognised for the business combination during the period ended 30 June 2024.

26. Disposal of subsidiaries

(a) Disposal from subsidiaries to associates for the period ended 30 June 2024

During the period, certain subsidiaries have become associates of the Group, and were disposed of at cash considerations of RMB6,525,000 in aggregate.

	As at the respective dates of the disposals
	RMB'000
Non-current assets	75,431
Current assets	35,093
Current liabilities	(252,270)
Non-current liabilities	(16,565)
Net liabilities disposed of	(158,311)
Non-controlling interests	112,929
Goodwill	74,247
Transfer to investments accounted for using the equity method	(24,486)
Gain on disposal of subsidiaries	2,146
Cash consideration	6,525
Cash consideration received	6,525
Less: cash and cash equivalents in the subsidiaries disposed	(13,629)
Net cash outflow on disposals	(7,104)



26. Disposal of subsidiaries (Continued)

(b) Disposal of subsidiaries for the period ended 30 June 2024

During the period ended 30 June 2024, certain subsidiaries of the Group were disposed of at cash considerations of RMB26,419,000 in aggregate.

	As at the respective dates of the disposals
	RMB'000
Non-current assets	5,671
Current assets	92,534
Current liabilities	(47,936)
Non-current liabilities	(410)
Net assets disposed of	49,859
Non-controlling interests	(23,839)
Goodwill	15,200
Loss on disposal of subsidiaries	(14,801)
Cash consideration	26,419
Cash consideration received	26,419
Less: cash and cash equivalents in the subsidiaries disposed	(16,680)
Net cash inflow on disposals	9,739