



# 金融街物業股份有限公司

**FINANCIAL STREET PROPERTY CO., LIMITED**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

Stock Code : 1502

**2024** Interim Report



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\* *English translation is for reference only*

## Corporate Information

### EXECUTIVE DIRECTORS

Mr. Sun Jie (*Chairman*)  
Mr. Song Ronghua  
Ms. Xue Rui

### NON-EXECUTIVE DIRECTORS

Ms. Hu Yuxia  
Mr. Li Liang  
Ms. Zhao Lu

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Song Baocheng  
Ms. Tong Yan  
Ms. Lu Qing

### SUPERVISORS

Mr. Liu Anpeng  
(*Chairman of the Supervisory Committee*)  
Ms. Gao Minghui  
Ms. Lyu Min

### JOINT COMPANY SECRETARIES

Mr. Chen Xi  
Ms. Ho Wing Nga *FCG HKFCG (PE)*

### AUTHORISED REPRESENTATIVES

Mr. Sun Jie  
Ms. Ho Wing Nga *FCG HKFCG (PE)*

### AUDIT COMMITTEE

Ms. Tong Yan (*Chairman*)  
Ms. Zhao Lu  
Mr. Song Baocheng

### NOMINATION COMMITTEE

Mr. Sun Jie (*Chairman*)  
Mr. Song Baocheng  
Ms. Tong Yan

### REMUNERATION COMMITTEE

Ms. Lu Qing (*Chairman*)  
Ms. Hu Yuxia  
Mr. Song Baocheng

### REGISTERED OFFICE

33 Financial Street  
Xicheng District  
Beijing  
the PRC

### HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

24/F, Xihuan Plaza Tower 2  
1 Xizhimenwai Avenue  
Xicheng District  
Beijing  
the PRC

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG UNDER PART 16 OF THE COMPANIES ORDINANCE

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183 Queen's Road East  
Wan Chai  
Hong Kong

## H SHARE REGISTRAR

Computershare Hong Kong Investor Services  
Limited  
Shops 1712-16, 17/F  
Hopewell Centre  
183 Queen's Road East  
Wan Chai  
Hong Kong

## PRINCIPAL BANKS

China Minsheng Bank Beijing Financial Street  
Sub-branch  
China Merchants Bank Financial Street Sub-branch

## AUDITOR

Grant Thornton Hong Kong Limited  
Registered PIE Auditor  
Certified Public Accountants in Hong Kong  
11th Floor, Lee Garden Two  
28 Yun Ping Road  
Causeway Bay, Hong Kong

## LEGAL ADVISERS

as to Hong Kong law:

Jingtian & Gongcheng LLP

## STOCK CODE

1502

## COMPANY WEBSITE ADDRESS

[www.jrjlife.com](http://www.jrjlife.com)

## Chairman's Statement

Dear Shareholders,

On behalf of Financial Street Property Co., Limited (“**Financial Street Property**” or the “**Company**”) and its subsidiaries (collectively the “**Group**” or “**we**”), I am pleased to present the unaudited consolidated results of the Group for the six months ended 30 June 2024 (the “**Reporting Period**”).

The year 2024 marks the 30th anniversary of the establishment of the Group. During the first half of the year, the Group maintained strategic resilience, persistently upheld service quality and enhanced management standard. It further consolidated and continued to enhance its competitive edges and consistently devoted its endeavor in the key markets to explore customer demands, expand management scale and foster stable growth of the enterprise.

### **GRASPING MARKET OPPORTUNITIES AND ACHIEVING STABLE GROWTH OF BUSINESS SCALE**

In the first half of 2024, building on its good brand image and service quality, the Group was able to achieve continuous development of business scope, stable expansion of business scale and sustainable penetration in the commercial and public properties sectors. As at 30 June 2024, the Group had a business presence covering 25 provinces, municipalities, autonomous regions and special administrative regions in China, with a total of 326 projects under management, representing an increase of 73 projects compared with the corresponding period last year. The GFA under management was 43.96 million sq.m., representing a growth of 21.7% over the corresponding period last year, of which the proportion of the GFA under management from independent third parties further increased to 54.3%.

### **EXPLORING CUSTOMER NEEDS AND FOSTERING COORDINATION AND LINKAGE OF VALUE-ADDED SERVICES**

Through consistent in-depth analysis of market needs, the Group continued to improve the quality of the fundamental property services, while at the same time, further expanded the property ancillary services, optimizing the dual platforms, namely “金愛臻品” and “金愛臻選”, and explored the opportunities for the growth of the new retail business. In addition, leveraging on the advantage of rich resources from the controlling shareholders, the Group fostered both online and offline coordination of value-added services in respect of various areas including insurance, wealth management, medical services, education, etc., and enabled sustainable linkage between property services and value-added services, so as to enhance customer loyalty, provide more convenient living style for property owners and develop more ideal residential and working space. The Group will continue to place high emphasis on the development of the value-added services to enrich value-added service industry chain by means of streamlined operation and adopting innovative services as impetus.

## FORTIFYING DIGITAL INTELLIGENCE APPLICATIONS AND CONTINUOUS IMPROVEMENT IN OPERATIONAL EFFICIENCY

In the first half of 2024, the Group kept promoting the extensive application of Financial Street Property living online platform by matching user's habits, optimizing online service touchpoints, opening access to the process flows of the services and increase the depth of the one-stop service platform, which resulted in effective improvement in customer services and on-going enhancement of customer loyalty. Meanwhile, each module of the management system had been further streamlined and consolidated, coupled with opening up of the subsystems, the efficiency of process flows and the working effectiveness had been improved, which facilitated management of headquarters and the collaboration between the supporting functions and the first-tier development and service functions. The sustainable improvement in both operational efficiency and per capita performance had paved a solid management foundation for the long-term stable development of the Company.

## UPHOLDING LONG-TERMISM AND PROMOTING FOUNDATION CONSOLIDATION OF THE ENTERPRISE

In the first half of 2024, the Group persistently devoted endeavor in overall development. Upholding the baseline and long-termism, the Group placed high emphasis on the customer needs, and increased the effort for, and the depth of researches. Special quality improvement projects had been kick-off with focuses on green and low carbon, engineering technologies and customer services, leading to 100% service feedback handling rate, timely rate and resolution rate. During the first half of the year, with outstanding performance, the Group was awarded numerous honors, including the "14th place in the 2024 Top 100 Property Management Companies in China", "2024 China Office Property Management Outstanding Companies", "2024 China's Exceptional Property Management Companies in terms of ESG Development", "2024 Top 100 Property Service Companies with High-quality Development and Excellence in China", "2024 China Leading Property Management Companies in terms of Characteristic Service — Commercial Properties Services", etc.

Looking forward, the Group will further strengthen the capabilities for meticulous service offering and effective innovations, consolidate development foundation and foster the long-term stable development of the Company. Last but not least, on behalf of the board of directors of the Company (the "**Board**"), I would like to express my sincere gratitude to all staff who have contributed to the development of the Group, and also the Shareholders and stakeholders for their long-standing support and trust.

**Sun Jie**  
*Chairman*

Beijing, the PRC, 28 August 2024

## BUSINESS REVIEW

### Overview

As one of the leading comprehensive property management service providers for commercial and business properties in China, the Group focuses on mid- to high-end property management services. The Group has been providing property management services for over 30 years since 1994, and has expanded its property management business across seven regions (namely Northern China, Southwestern China, Eastern China, Southern China, Northeastern China, Central China and Northwestern China), covering a wide range of properties and providing property owners and residents with tailored quality services through a one-stop service platform to improve the quality and satisfaction of their living and working space.

In the Reporting Period, the Group upheld its strategies, focused on regions with advantages and dominant industries, actively explored the markets of the first-tier and second-tier cities as well as key regions of the PRC. Leveraging on its professional advantages and good brand image in the commercial and public construction sectors, the Group has continued to improve its market competitiveness, and continuously penetrated into the field such as commercial office, the government, public services, and facilitated the new expansion of projects on the aviation sub-sector. As at 30 June 2024, the Group's operations covered 25 provinces, municipalities, autonomous regions and special administrative regions, and the GFA under management amounted to approximately 43.96 million sq.m., representing an increase of 21.7% over the same period last year. The percentage of the non-residential sector's GFA was 57.7%. The percentage of GFA originated from independent third parties was 54.3%. The total number of projects under management was 326, representing a year-on-year increase of 73 projects.

The Group firmly implemented the work of service quality improvement by sorting out and analysing the key points of the customer satisfaction survey, making "explicit service" the theme of quality inspection in the first half of the year, and carrying out targeted enhancement to strengthen the quality monitoring work. At the same time, the Group fully utilised its own resources and cooperated with various business segments of the Financial Street Affiliate Group to carry out cross-value-added services, providing customers with a wide range of products and services including insurance, wealth management, medical care and education, and promoting further enhancement of customer stickiness.

The key new projects obtained by the Group in the first half of 2024 are summarised as follows:

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Property Management Project for Beijing Central Axis Heritage Conservation Center (北京中軸線遺產保護中心). The project comprises the Zhengyangmen Gatehouse, the Archery Tower and the Deshengmen Archery Tower, located in Beijing. The Group provides integrated property management services to it.



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Office building of China Gold Coin Incorporation. The project is located in Beijing. The Group provides integrated property management services to it.



Airline project. The Group provides property management services for the P1 and P2 parking building at Shanghai Pudong International Airport, as well as a number of lounges and high-end check-in areas at Shanghai Hongqiao International Airport and Shanghai Pudong International Airport.



Resettlement Housing Project of China Xiongan Group Urban Development Investment Co. (中國雄安集團城市發展投資有限公司). The project is located in Xiongan New District, Hebei Province, with a management area of 569,300 sq.m. The Group provides comprehensive services in the property management area.



Guoneng Shandong Real Estate Co., Ltd. Hainan Power Office Building (國能山東置業有限公司海南電力辦公樓), which covers a number of office buildings located in four counties in Hainan Province (i.e. Haikou City, Dongfang City, Qiongzong County, Ledong County), with a total service area of 561,300 sq.m.



Western Tower, Luoyang Science and Technology Building (洛陽科技大廈西塔). The project is located in the CBD of Yibin New District, Luoyang City, Henan Province, covering office buildings, commerce, hotels, etc. The project is a comprehensive business office building.



Languang Luhu Long Island Community (藍光鷺湖長島小區). The project is located in Chongqing, with a total GFA of 483,400 sq.m., mainly comprising high-rise residential buildings and houses. The Group provides integrated property management services for the project.



In addition to the above projects, in the first half of the year, the Group also expanded into the Institute of Geology, China Earthquake Administration, and the Beijing Xicheng District Government Offices Affairs Service Center, The Third Office Area of Fangshan District of Beijing Municipal Service Center of Government Logistics etc., which further deepened its penetration in the governmental and public services sectors, and highlighted the Group's competitive edges.

## PROPERTY MANAGEMENT AND RELATED SERVICES

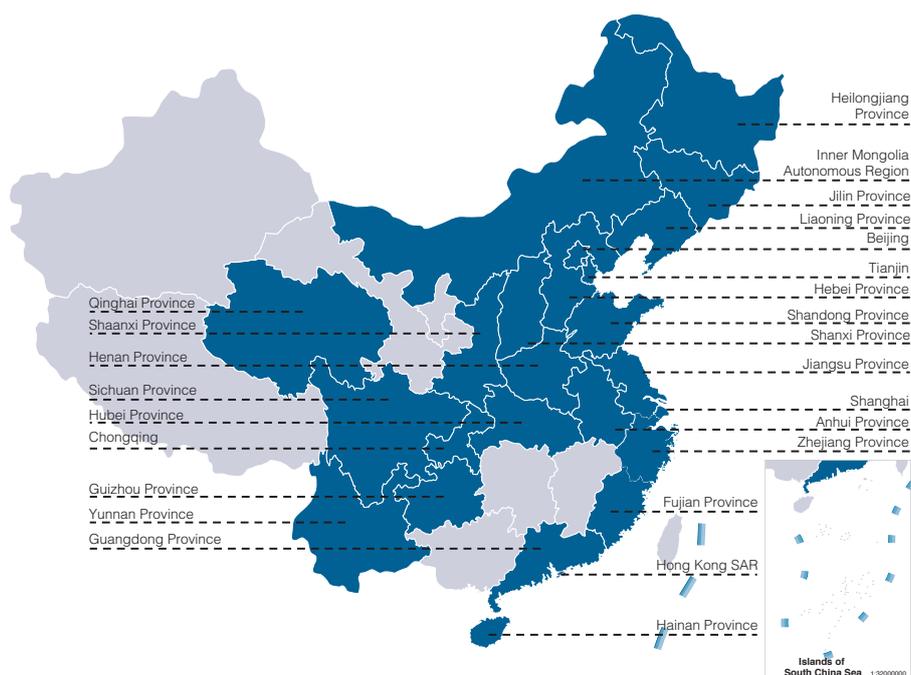
As at 30 June 2024, the Group's property management and related services covered 25 provinces, municipalities, autonomous regions and special administrative regions across seven regions in China (including Northern China, Southwestern China, Eastern China, Southern China, Northeastern China, Central China and Northwestern China), with a total GFA under management of approximately 43.96 million sq.m. and a total of 326 properties under management.

The table below sets forth (i) the contracted GFA; (ii) the GFA under management; and (iii) the number of properties under management, as at the dates indicated:

	As at 30 June 2024	As at 30 June 2023
Contracted GFA ('000 sq.m.)	45,912	38,558
GFA under management ('000 sq.m.)	43,956	36,120
Number of properties under management	326	253

### Geographic Coverage

The following map shows the geographic coverage of the properties under management of the Group as at 30 June 2024:



The table below sets forth the breakdowns of (i) the GFA under management; and (ii) the number of properties under management by regions as at the dates indicated:

	As at 30 June 2024		As at 30 June 2023	
	GFA under management ('000 sq.m.)	Number of properties under management	GFA under management ('000 sq.m.)	Number of properties under management
Northern China	17,325	149	16,017	133
Southwestern China	6,383	30	5,293	30
Eastern China	6,690	42	5,905	34
Southern China	9,291	85	4,920	41
Northeastern China	1,733	10	1,214	7
Central China	1,843	7	2,771	8
Northwestern China	691	3	—	—
<b>Total</b>	<b>43,956</b>	<b>326</b>	<b>36,120</b>	<b>253</b>

Notes:

- (i) Northern China includes Beijing, Tianjin, Hebei Province, Inner Mongolia Autonomous Region and Shanxi Province
- (ii) Southwestern China includes Chongqing, Sichuan Province, Guizhou Province and Yunnan Province
- (ii) Eastern China includes Shanghai, Jiangsu Province, Zhejiang Province, Shandong Province and Anhui Province
- (iv) Southern China includes Guangdong Province, Fujian Province, Hainan Province and Hong Kong Special Administrative Region
- (v) Northeastern China includes Heilongjiang Province, Jilin Province and Liaoning Province
- (vi) Central China includes Hubei Province and Henan Province
- (vii) Northwestern China includes Shaanxi Province and Qinghai Province

### Types of Properties under Management

The Group managed a diversified portfolio of properties covering commercial and business properties, including office buildings, complexes, retail buildings and hotels; and non-commercial properties, including residential properties, public properties, hospitals, educational properties and others. Regarding the property management services, the Group employs the lump-sum basis and commission basis as the two revenue models under which property management fees are charged. On a lump-sum basis, the Group records all the fees as revenue and all the expenses incurred in connection with providing the property management services as cost of services. On a commission basis, the Group essentially acts as the agent of the property owners and therefore records only a pre-determined percentage of the property management fees or cost of services as set out in the property management service contracts as revenue. By adopting these two revenue models, the Group is able to cover the expenses incurred in connection with providing property management services.

## Management Discussion and Analysis (Continued)

The table below sets forth the breakdowns of (i) the GFA under management; and (ii) the number of properties under management by type of properties as at the dates indicated:

	As at 30 June 2024			As at 30 June 2023		
	GFA under management ('000 sq.m.)	Percentage (%)	Number of properties under management	GFA under management ('000 sq.m.)	Percentage (%)	Number of properties under management
Retail buildings and hotels	376	0.9	5	368	1.0	4
Office buildings	8,419	19.2	78	7,578	21.0	67
Complexes	1,200	2.7	5	1,200	3.3	5
Residential properties	18,582	42.3	132	14,502	40.1	80
Public properties, hospitals, educational properties and others	15,379	35.0	106	12,472	34.5	97
<b>Total</b>	<b>43,956</b>	<b>100</b>	<b>326</b>	<b>36,120</b>	<b>100</b>	<b>253</b>

Note: Percentage may not add up to 100% due to rounding.

The table below sets forth the breakdowns of the GFA under management by revenue models as at the dates indicated:

	As at 30 June 2024		As at 30 June 2023	
	GFA under management ('000 sq.m.)	Percentage (%)	GFA under management ('000 sq.m.)	Percentage (%)
Property management services (lump-sum basis)	39,875	90.7	32,493	90.0
Property management services (commission basis)	4,081	9.3	3,627	10.0
<b>Total</b>	<b>43,956</b>	<b>100</b>	<b>36,120</b>	<b>100</b>

It is important to note that on a commission basis, the Group recorded only a pre-determined percentage of the property management fees, as set out in the property management service contracts as revenue, while all the property management fees are recorded as revenue on a lump-sum basis.

### Nature of the Property Developers Served

The properties under the Group's management include properties developed by Beijing Financial Street Investment (Group) Co., Ltd. (北京金融街投資(集團)有限公司) and its joint ventures and associates (the “**Financial Street Affiliate Group**”) and properties developed by independent third parties. As at 30 June 2024, the Group managed the properties developed by Financial Street Affiliates Group encompassing an approximate GFA of 20 million sq.m., with the number of projects increased from 132 as at 30 June 2023 to 136 as at 30 June 2024. Meanwhile, as at 30 June 2024, the Group managed properties developed by independent third parties encompassing an approximate GFA of 23.9 million sq.m., and the number of projects also further increased to 190 from 121 as at 30 June 2023.

The table below sets forth the breakdowns of (i) the GFA under management; and (ii) the number of properties under management of the Group by property developers as at the dates indicated:

	As at 30 June 2024			As at 30 June 2023		
	GFA under management ('000 sq.m.)	Percentage (%)	Number of properties under management	GFA under management ('000 sq.m.)	Percentage (%)	Number of properties under management
Properties developed by Financial Street Affiliates Group	20,066	45.7	136	19,141	53.0	132
Properties developed by independent third parties	23,890	54.3	190	16,979	47.0	121
<b>Total</b>	<b>43,956</b>	<b>100</b>	<b>326</b>	<b>36,120</b>	<b>100</b>	<b>253</b>

### Value-added Services

The value-added business of the Group mainly comprises six segments, namely operating businesses, consultancy services, asset operation, resources management, customised services and other income. A series of business under the self-owned value added service brands, namely “IZEE” (怡己), “金愛臻品” and “金愛臻選”, have been established. The Group built up “Financial Street Property Living Online” platform to realise offerings of intelligence operation and value added services. By continuous studying customers' need, generating integrated space and resources, customer resources and supply chain resources, and through linkage of property services with value added services, both the width and depth of the service offerings had been strengthened to cater for the diversified demands of different kinds of customers.

## Future Prospects

The Group will continue to adhere to the service quality as the core, continuously bolster its service capacity, focus on the dominant sector and core area through our experience and brand advantages in the business office field and continuously enhance the market competitiveness. At the same time, the Group will expand our business boundaries based on customers' demands, actively explore diversified and innovative services, and grasp the opportunities of synergistic development of resources and industries among various business segments, so as to form a value-added service system featuring the business sector and promote the long-term and steady development of the enterprise.

## FINANCIAL REVIEW

### Revenue

The Group's revenue was mainly derived from: (i) property management and related services; and (ii) catering services. Revenue increased by approximately 14.23% from approximately RMB712.36 million for the six months ended 30 June 2023 to approximately RMB813.69 million for the six months ended 30 June 2024.

The following table sets forth the breakdown of revenue by our services provided for the periods indicated:

	Six months ended 30 June					
	2024		2023		Changes	
	<i>RMB'000</i>	<i>Proportion</i>	<i>RMB'000</i>	<i>Proportion</i>	<i>RMB'000</i>	<i>Rate of change</i>
<b>Property management and related services:</b>						
Property management services	631,968	77.67%	532,335	74.72%	99,633	18.72%
Value-added services	147,446	18.12%	137,744	19.34%	9,702	7.04%
Rental services	4,638	0.57%	5,184	0.73%	(546)	(10.53%)
<b>Catering services</b>	<b>29,642</b>	<b>3.64%</b>	<b>37,095</b>	<b>5.21%</b>	<b>(7,453)</b>	<b>(20.09%)</b>
<b>Total</b>	<b>813,694</b>	<b>100.00%</b>	<b>712,358</b>	<b>100%</b>	<b>101,336</b>	<b>14.23%</b>

- Revenue generated from our property management and related services mainly includes: (i) customer services; (ii) security services; (iii) cleaning and gardening services; (iv) engineering, repair and maintenance services; (v) carpark management services; and (vi) other related services, which increased from approximately RMB675.26 million for the six months ended 30 June 2023 to approximately RMB784.05 million for the six months ended 30 June 2024, representing an increase of approximately 16.11%. Benefited from the increase in number of projects under management, there has been a growth in the revenue for both property management and related services.

- Revenue generated from our catering services: our revenue from catering services decreased from approximately RMB37.10 million for the six months ended 30 June 2023 to approximately RMB29.64 million for the six months ended 30 June 2024, which was attributable to our optimisation and adjustment made to the business model of catering services.

### Cost of Sales and Services

The Group's cost of sales and services mainly consists of (i) subcontracting costs; (ii) employee welfare expenses; (iii) utilities; (iv) raw materials and components used in property management and related services; (v) cost of raw materials and consumables for catering services; and (vi) other expenses. The Group's cost of sales and services increased by approximately 17.06% from approximately RMB585.87 million for the six months ended 30 June 2023 to approximately RMB685.83 million for the six months ended 30 June 2024. The increase in cost was in line with the expansion of business.

### Gross Profit and Gross Profit Margin

The overall gross profit of the Group increased by approximately 1.09% from approximately RMB126.49 million for the six months ended 30 June 2023 to approximately RMB127.87 million for the six months ended 30 June 2024. The overall gross profit margin of the Group for the six months ended 30 June 2024 was approximately 15.71%, representing a decrease as compared to the overall gross profit margin of 17.76% for the six months ended 30 June 2023. Revenue continued to rise, while gross profit margin decreased due to the impact caused by the market condition and the increased pressure from the intensified competition. The table below sets forth the Group's gross profit and gross profit margin by type of service for the periods indicated:

	2024		Six months ended 30 June 2023		Changes	
	Gross Profit RMB'000	Gross Profit Margin (%)	Gross Profit RMB'000	Gross Profit Margin (%)	Amount RMB'000	Gross Profit Margin (%)
<b>Property management and related services:</b>						
Commercial and business properties	96,162	22.57	96,663	23.83	(501)	(1.26)
Non-commercial properties	34,065	9.52	34,161	12.67	(96)	(3.15)
<b>Catering services</b>	<b>(2,362)</b>	<b>(7.97)</b>	<b>(4,336)</b>	<b>(11.69)</b>	<b>1,974</b>	<b>3.72</b>
<b>Total</b>	<b>127,865</b>	<b>15.71</b>	<b>126,488</b>	<b>17.76</b>	<b>1,377</b>	<b>(2.04)</b>

### Administrative Expenses

Administrative expenses of the Group increased by approximately 25.48% from approximately RMB30.27 million for the six months ended 30 June 2023 to approximately RMB37.98 million for the six months ended 30 June 2024. The increase in administrative expenses was in line with the expansion of business scale.

### Income Tax Expense

Income tax expense of the Group decreased from approximately RMB27.24 million for the six months ended 30 June 2023 to approximately RMB20.85 million for the six months ended 30 June 2024, which was mainly due to the decrease in total profit.

### Profit for the Reporting Period

Profit of the Group decreased by approximately 9.06% from approximately RMB78.46 million for the six months ended 30 June 2023 to approximately RMB71.35 million for the six months ended 30 June 2024. Affected by the macro-economic condition, level of profit decreased as a result of decrease in other income and increase in costs and expenses.

### Total Comprehensive Income for the Reporting Period

Total comprehensive income of the Group decreased from approximately RMB78.35 million for the six months ended 30 June 2023 to approximately RMB71.57 million for the six months ended 30 June 2024, representing an decrease of approximately 8.65%. The change was in line with the net profit.

### Liquidity, Capital Structure and Financial Resources

As at 30 June 2024, the Group's cash and bank balances were approximately RMB1,537.38 million, representing a increase of approximately RMB35.72 million from approximately RMB1,501.66 million as at 31 December 2023.

The Group's financial situation remains stable. The net current assets of the Group were approximately RMB1,118.71 million as at 30 June 2024, which remained stable as compared with RMB1,110.98 million as at 31 December 2023. As at 30 June 2024, the Group's current ratio (current assets/current liabilities) was approximately 2.32 times (as at 31 December 2023: approximately 2.52 times).

As at 30 June 2024, the Group did not have any borrowings (as at 31 December 2023: nil).

### Trade Receivables and Other Financial Assets at Amortised Cost

Trade receivables mainly arise from property management and related services. Trade receivables of the Group increased by 28.65% from approximately RMB270.62 million as at 31 December 2023 to approximately RMB348.15 million as at 30 June 2024, primarily due to (i) the increase in trade receivables from property management services as a result of the increase in the total GFA under management; and (ii) trade receivables being within the credit period.

Other financial assets at amortised cost mainly include finance lease receivables, loan and interest receivable from an associate, payments and deposits paid on behalf of owners, tenants and property developers. Total other financial assets at amortised cost of the Group decreased by approximately RMB5.26 million from approximately RMB96.39 million as at 31 December 2023 to approximately RMB91.13 million as at 30 June 2024, primarily due to collection of which during ordinary course of business.

### Trade and Other Payables

Trade payables mainly represent amount payable to suppliers and subcontractors, including for purchase of materials. As at 30 June 2024, our balance of trade payables amounted to approximately RMB209.86 million, representing a increase of approximately 9.35% as compared with approximately RMB191.91 million as at 31 December 2023, which was mainly due to expansion of business scale.

Payroll and welfare payables mainly refer to salary and insurance. As at 30 June 2024, the payroll and welfare payables of the Group were approximately RMB93.18 million, representing an increase of 10.11% as compared with approximately RMB84.63 million as at 31 December 2023, mainly due to the bonus accrued during the Reporting Period.

Other payables mainly include payments and deposits collected on behalf of owners, tenants and property developers. Other payables increased by approximately 2.08% from approximately RMB285.77 million as at 31 December 2023 to approximately RMB291.71 million as at 30 June 2024, primarily due to the payment of expenses with different settlement period involved.

### Use of Proceeds from the Listing

The H Shares of Company was listed on the Stock Exchange on 6 July 2020 (the “**Listing Date**”) and the Company issued 90,000,000 H Shares, and subsequently issued 13,500,000 H Shares on 29 July 2020 as a result of the full exercise of the over-allotment option (the “**Global Offering**”). After deducting the underwriting fees and relevant expenses, net proceeds from the listing (the “**Net Proceeds**”) amounted to approximately HK\$710.48 million (equivalent to approximately RMB648.36 million). After careful consideration and detailed assessment of the operation and business strategies of the Group, in order to provide sufficient fund support for continuous market expansion, joint venture and cooperation, investment and merger and acquisition, the Board has decided to change the use of the unutilised portion of the Net Proceeds. For further details, please refer to the announcement of the Company dated 27 March 2024 (the “**Announcement**”). The unutilised Net Proceeds have been placed as interest-bearing deposits with licensed banks in Mainland China. As at 30 June 2024, such Net Proceeds were utilised in accordance with the allocation method proposed in the Prospectus of the Company dated 19 June 2020 (the “**Prospectus**”) and the Announcement.

The analysis on the utilisation of the Net Proceeds from the Listing Date to 30 June 2024 is as follows:

	Planned use of the Net Proceeds stated in the Prospectus and the use of additional Net Proceeds after taking into account the full exercise of the over-allotment option on 29 July 2020 <i>RMB million</i>	Planned use of the Net Proceeds after the amendment as stated in the Announcement <i>RMB million</i>	Actual use of Net Proceeds up to 30 June 2024 <i>RMB million</i>	Utilised Net Proceeds during the Reporting Period <i>RMB million</i>	Unutilised Net Proceeds as at 30 June 2024 <i>RMB million</i>	Expected timeline of full utilisation of the remaining balance
Pursuing strategic acquisitions and investment opportunities and establishing new branches and subsidiaries to expand the Group's business scale	389.02	517.87	136.22	3.03	381.65	on or before 31 December 2026
Developing the Group's value-added services business	129.66	49.12	40.48	0.87	8.64	on or before 31 December 2026
Establishing and upgrading IT and intelligent facilities systems	64.84	16.53	6.97	0.44	9.56	on or before 31 December 2026
The Group's working capital and general corporate purposes	64.84	64.84	0.00	0.00	64.84	on or before 31 December 2026
<b>Total</b>	<b>648.36</b>	<b>648.36</b>	<b>183.67</b>	<b>4.34</b>	<b>464.69</b>	

*Note:* The expected timeline for utilising the remaining Net Proceeds is based on the best estimation made by the Group. It will be subject to change based on the current and future development of the market conditions.

For more details and explanation of the use of proceeds, please refer to the section headed “Future Plans and Use of Proceeds” in the Prospectus and the Announcement. The updated expected timeline is based on the Company’s best estimates and assumptions of future market conditions and industry development, and the proceeds are utilised in accordance with the actual development of the Group’s business and the industry.

### Pledge of Assets

As at 30 June 2024, none of the assets of the Group were pledged (as at 31 December 2023: nil).

### Material Acquisitions and Disposals of Assets

For the six months ended 30 June 2024, the Group did not have any material acquisitions or disposals of assets.

### Significant Investment Held, Disposals and Future Plans for Material Investment of Capital Assets

For the six months ended 30 June 2024, the Group did not have any plan for significant investment, disposals or addition of capital assets.

### Liabilities to Assets Ratio

Liabilities to assets ratio is calculated based on our total liabilities as at the end of the Reporting Period divided by our total assets as at the end of such period. As at 30 June 2024, our liabilities to assets ratio was 0.41. As at 31 December 2023, our liabilities to assets ratio was 0.38. Gearing ratio is calculated by dividing the total amount of loan as at the corresponding date by the total amount of equity as at the same date. As at 30 June 2024 and 31 December 2023, the Group had no interest-bearing loan, therefore the gearing ratio does not apply.

### Contingent Liabilities

As at 30 June 2024, the Group did not have any contingent liabilities (as at 31 December 2023: nil).

### Financial Policy

The Group has adopted prudent financial management policies and maintained a healthy liquidity position throughout the year. To manage liquidity risk, the Board closely monitors the Group’s liquidity position to ensure that the liquidity structure of the Group’s assets, liabilities and commitments can meet its funding requirements from time to time.

### Foreign Exchange Risk

The Group operates in the PRC and Hong Kong. The Group's businesses are principally conducted in RMB and Hong Kong dollars (“**HK\$**”). Foreign exchange risk arises from a foreign currency deposit account and commercial transactions, recognised assets and liabilities, which are denominated in HK\$ that is not the functional currency of the Group entities.

The Group currently does not have a foreign currency hedge policy. In order to mitigate the foreign currency risk, management closely monitors such risks and will consider hedging significant foreign currency exposure should the need arise.

### Employees and Welfare Policies

As at 30 June 2024, the Group had 4,983 employees. Employee remuneration is determined based on employee performance, skills, knowledge, experience and market trends. The Group regularly reviews compensation policies and programs, and will make necessary adjustments in order to be in line with remuneration levels within industry norms. In addition to basic salaries, employees may be granted discretionary bonus based on individual performance. The remunerations of the Directors are determined based on a variety of factors such as market conditions and responsibilities assumed by each Director. The Group offers training to its employees so as to enable the new joiners to acquire basic skills to perform their duties and to upgrade or improve their productivity.

## OTHER INFORMATION

### SIGNIFICANT EVENTS

#### **Change in Use of Proceeds**

After careful consideration and detailed assessment of the operation and business strategies of the Group, in order to provide sufficient fund support for continuous market expansion, joint venture and cooperation, investment and merger and acquisition, the Board has decided to change the use of the unutilised portion of the Net Proceeds and update the expected timeline of full utilisation of the Net Proceeds. For further details, please refer to the section headed “Use of Proceeds from the Listing” in the 2023 annual report of the Company and the Announcement.

#### **Amendments to the Articles of Association**

Resolution on the amendments to the Articles of Association was approved by the Shareholders at the AGM on 6 June 2024. For details of the amendments to the Articles of Association, please refer to the announcements dated 27 March 2024 and 6 June 2024 and the circular dated 22 April 2024 of the Company.

#### **Events after the Reporting Period**

No other significant events of the Group occurred after the Reporting Period.

#### **Purchase, Sale or Redemption of Listed Securities or Redeemable Securities of the Company**

Neither the Company nor its subsidiary purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares (as defined under the Listing Rules)) at any time during the six months ended 30 June 2024. As at 30 June 2024, the Company did not hold any treasury shares.

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board is committed to achieving high standards of corporate governance to address the needs of the Group's stakeholders, including Shareholders, investors, customers, suppliers, employees and the community, so as to build up their confidence in the Group and support the Group's sustainable development. Maintaining high standards of business ethics and corporate governance practices has always been one of the Group's goals. The Company believes that good corporate governance provides a framework that is essential for effective management, successful business growth and a healthy corporate culture, thereby leading to the enhancement of shareholders' value. Corporate culture is critical to the achievement of the Company's mission and the Board has been committed to reviewing and enhancing its risk management and internal controls and procedures in light of the changes in regulations and development of best practices in order to maintain and ensure that the Company's goals, values and strategies are aligned with the corporate culture.

During the Reporting Period, the Company has complied with the code provisions of the Corporate Governance Code (the "**CG Code**") set out in Appendix C1 to the Listing Rules.

## COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the code of conduct and rules governing dealings by all the Directors and supervisors (the "**Supervisors**") of the Company in the securities of the Company. Having made specific enquiries to all Directors and Supervisors, they have confirmed that they have complied with the required standards set out in the Model Code during the Reporting Period.

Pursuant to the Company's requirements, the relevant management personnel and employees of the Company are also subject to the Model Code, which prohibits them from dealing in the Company's securities whenever they possess inside information related to the securities of the Company. The Company was not aware of any incidents of non-compliance with the Model Code by the relevant personnel and employees of the Company during the Reporting Period.

## CHANGES IN INFORMATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

During the Reporting Period, the Company did not have any change in the information of the Directors, Supervisors and senior management of the Company required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

## INTERESTS AND SHORT POSITIONS OF THE DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 June 2024, the interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of the Hong Kong Special Administrative Region) (the “SFO”)) of the Directors, Supervisors and senior management of the Company 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 which were required, under Section 352 of the SFO, to be entered in the register referred to in that section, or which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code were as follows:

### Directors’, Supervisors’ and Chief Executives’ Interests in Associated Corporations of the Company

Save as disclosed below, as at 30 June 2024, the Company had not been notified by any entities/persons (other than the Directors, Supervisors and chief executive) who had interests or short positions in the shares or underlying shares or debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which would fall to be disclosed to the Company under the provisions of Divisions 7 and 8 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed below, as at 30 June 2024, none of the Directors, Supervisors and chief executives (including their spouses and children under the age of 18) had any interests in or was granted any right to subscribe for the securities of the Company or its associated corporations (within the meaning of Part XV of the SFO), or had exercised any such rights.

Name of Director	Name of associated corporation	Capacity	Number of shares held/ interested (shares) <sup>(Note 1)</sup>	Percentage of interest in associated corporation as at 30 June 2024 (%)
Li Liang	Financial Street Holdings Co., Ltd.	Beneficial owner	27,000(L)	0.00 <sup>(Note 2)</sup>

#### Notes:

- The letter “L” denotes the person’s long position in the shares.
- The approximate percentage of interests in the issued share capital of Financial Street Holdings Co., Ltd. is based on a total of 2,988,929,907 issued shares of Financial Street Holdings Co., Ltd. as at 30 June 2024.

## INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2024, so far as is known to the Directors of the Company, the following persons (other than the Directors, chief executive and Supervisors of the Company) have an interest or short position in the shares of the Company or underlying shares which will be required to be disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, and as recorded in the register of the Company required to be kept pursuant to Section 336 of the SFO:

Name of Shareholders	Class of shares	Capacity	Number of Shares/ Underlying Shares Held ( <i>shares</i> ) (Note 1)	Percentage of	
				Relevant Class of Shares (%) (Note 2)	Percentage of Total Shares (%) (Note 3)
Beijing Huarong Zonghe Investment Co., Ltd (北京華融綜合投資有限公司) (Note 4)	Domestic Shares	Beneficial owner	128,299,270(L)	47.52	34.35
Beijing Financial Street Investment (Group) Co., Ltd. (北京金融街投資(集團)有限公司) (Note 4)	Domestic Shares	Interest of controlled corporation	128,299,270(L)	47.52	34.35
Beijing Financial Street Capital Operation Group Co., Ltd. (北京金融街資本運營集團有限公司) (Note 4)	Domestic Shares	Interest of controlled corporation	128,299,270(L)	47.52	34.35
Beijing Tiantai Real Estate Co., Ltd. (北京天泰置業有限公司) (Note 5)	Domestic Shares	Beneficial owner	79,620,438(L)	29.49	21.32
China Life Real Estate Investment Management Company Limited (國壽不動產投資管理有限公司) (Note 5)	Domestic Shares	Interest of controlled corporation	79,620,438(L)	29.49	21.32
China Life Investment Insurance Asset Management Company Limited (國壽投資保險資產管理有限公司) (Note 5)	Domestic Shares	Interest of controlled corporation	79,620,438(L)	29.49	21.32
China Life Insurance (Group) Company (中國人壽保險(集團)公司) (Note 5)	Domestic Shares	Interest of controlled corporation	79,620,438(L)	29.49	21.32
Beijing Rongxin Hetai Enterprise Management Co., Ltd. (北京融信合泰企業管理股份有限公司)	Domestic Shares	Beneficial owner	62,080,292(L)	22.99	16.62
Find Jade Limited (得翠有限公司) (Note 6)	H Shares	Beneficial owner	5,243,000(L)	5.07	1.40
Kowloon Development Company Limited (九龍建業有限公司) (Note 6)	H Shares	Interest of controlled corporation	5,243,000(L)	5.07	1.40
Intellinsight Holdings Limited (Note 6)	H Shares	Interest of controlled corporation	5,243,000(L)	5.07	1.40
New Explorer Developments Limited (Note 6)	H Shares	Interest of controlled corporation	5,243,000(L)	5.07	1.40
Or Wai Sheun (柯為湘) (Note 6)	H Shares	Interest of controlled corporation	5,243,000(L)	5.07	1.40
UBS Asset Management (Hong Kong) Ltd (Note 7)	H Shares	Investment manager	6,292,000(L)	6.08	1.68

Name of Shareholders	Class of shares	Capacity	Number of Shares/ Underlying Shares Held ( <i>shares</i> ) <sup>(Note 1)</sup>	Percentage of	
				Relevant Class of Shares (%) <sup>(Note 2)</sup>	Percentage of Total Shares (%) <sup>(Note 3)</sup>
UBS Group AG <sup>(Note 8)</sup>	H Shares	Interest of controlled corporation	17,469,269(L) 5,816,000(S)	16.88 5.62	4.68 1.56
Barings LLC <sup>(Note 9)</sup>	H Shares	Investment manager	6,972,000(L)	6.73	1.87
Northern Trust Fiduciary Services (Ireland) Limited <sup>(Note 10)</sup>	H Shares	Trustee	6,705,000(L)	6.47	1.80
FIL Limited <sup>(Note 11)</sup>	H Shares	Interest of controlled corporation	10,350,000(L)	10.00	2.77
Pandanus Associates Inc. <sup>(Note 11)</sup>	H Shares	Interest of controlled corporation	10,350,000(L)	10.00	2.77
Pandanus Partners L.P. <sup>(Note 11)</sup>	H Shares	Interest of controlled corporation	10,350,000(L)	10.00	2.77
FIDELITY FUNDS <sup>(Note 12)</sup>	H Shares	Beneficial owner	5,532,000(L)	5.34	1.48
Liu Haiyan <sup>(Note 13)</sup>	H Shares	Beneficial owner	7,280,000(L)	7.03	1.95

*Notes:*

1. The letter “L” denotes the person’s long position in the shares, and the letter “S” denotes the person’s short position in the shares.
2. The calculation is based on 270,000,000 domestic shares or 103,500,000 H shares issued by the Company as at 30 June 2024.
3. The calculation is based on the total number of 373,500,000 shares issued by the Company as at 30 June 2024.
4. Beijing Huarong Zonghe Investment Co., Ltd. (“**Huarong Zonghe**”) is the direct shareholder.
  - (a) The entire equity interest in Huarong Zonghe is held by Beijing Financial Street Investment (Group) Co., Ltd. (“**Financial Street Group**”), which is in turn held as to 37.94% by SASAC Xicheng District and 62.06% by Beijing Financial Street Capital Group Co., Ltd. (formerly known as Beijing Financial Street Capital Operation Centre) (“**Financial Street Capital**”), which is wholly-owned by SASAC Xicheng District.

(Note: On 29 December 2020, Financial Street Group received the Xicaiqi [2020] No. 507 Notice on the Transfer of Certain State-owned Equity Interests in Beijing Financial Street Investment (Group) Co., Ltd. between Beijing Municipal Bureau of Finance, Beijing Xicheng District Human Resources and Social Security Bureau and the State-owned Assets Supervision and Administration Commission of Xicheng District People’s Government of Beijing Xicheng District, which was forwarded by SASAC Xicheng District, and required to transfer part of the 10% equity interests in Financial Street Group held by SASAC Xicheng District to Beijing Municipal Bureau of Finance at nil consideration, with the transfer benchmark date being 31 December 2019, and complete the equity transfer procedures such as the change of state-owned property rights registration before 30 December 2020. In accordance with the requirements of the Notice, Financial Street Group completed the registration procedures for the change of state-owned property rights on 30 December 2020. However, as at the date of this report and to the best of the Company’s

knowledge, information and belief, having made all reasonable enquiries, the general meeting of Financial Street Group has not yet issued a resolution and has not yet completed the procedures for the change of industrial and commercial registration.)

- (b) By virtue of the SFO, Financial Street Group and Finance Street Capital are each deemed to be interested in the Shares held by Huarong Zonghe.
5. Beijing Tiantai Real Estate Co., Ltd. ("**Tiantai Real Estate**") is the direct shareholder.
- (a) 100% of the equity interests in Tiantai Real Estate is held by China Life Real Estate Investment Management Company Limited ("**China Life Real Estate**"), which is in turn wholly-owned by China Life Investment Insurance Asset Management Company Limited (國壽投資保險資產管理有限公司), which is wholly-owned by China Life Insurance (Group) Company (中國人壽保險(集團)公司), which is wholly-owned by the Ministry of Finance of the PRC.
  - (b) By virtue of the SFO, China Life Real Estate, China Life Investment Insurance Asset Management Company Limited (國壽投資保險資產管理有限公司) and China Life Insurance (Group) Company (中國人壽保險(集團)公司) are each deemed to be interested in the shares held by Tiantai Real Estate.
6. Find Jade Limited is wholly-owned by Kowloon Development Company Limited; Intellinsight Holdings Limited holds 70.63% equity of Kowloon Development Company Limited; Intellinsight Holdings Limited is wholly-owned by New Explorer Developments Limited; and New Explorer Developments Limited is wholly-owned by Or Wai Sheun. Therefore, each of Or Wai Sheun, New Explorer Developments Limited, Intellinsight Holdings Limited and Kowloon Development Company Limited is deemed to have an interest in the shares held by Find Jade Limited pursuant to the SFO.
7. In the capacity of investment adviser of Nineteen77 Global Multi-Strategy Alpha Master Limited and on behalf of Nineteen77 Global Multi-Strategy Alpha Master Limited.
8. Based on the disclosure of interests form submitted by UBS Group AG on 20 March 2024 (the date of the relevant event set out in the form was 15 March 2024), these shares comprised (i) 8,585,270 shares (long position) held through UBS O'Connor LLC; and (ii) 8,883,999 shares (long position) and 5,816,000 shares (short position) held through UBS AG.
9. Based on the disclosure of interests form submitted by Barings LLC. on 15 September 2021 (the date of the relevant event set out in the form was 13 September 2021), these Shares were held in the capacity of investment manager through Baring Asset Management (Asia) Holdings Limited.
10. Northern Trust Fiduciary Services (Ireland) Limited is the trustee of Barings Hong Kong China Fund's trust.
11. Based on the disclosure of interests form submitted on 4 March 2022 (the date of the relevant event set out in the form was 1 March 2022), these shares were held via FIL Investment Management (Singapore) Limited. The 10,350,000 H shares (long position) held by FIL Limited, Pandanus Associates Inc. and Pandanus Partners L.P. were held in the capacity as interests of controlled corporations.
12. Based on the disclosure of interests form submitted by FIDELITY FUNDS on 1 March 2022 (the date of the relevant event set out in the form was 24 February 2022), FIDELITY FUNDS is the beneficial owner of these Shares.

13. Based on the disclosure of interests form submitted by Liu Haiyan on 20 February 2024 (the date of the relevant event set out in the form was 20 February 2024), Liu Haiyan is the beneficial owner of these Shares.

Save as disclosed above, as at 30 June 2024, the Company is not aware that any other person has any interests or short positions in the shares and underlying shares, which is required to be notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which is required to be entered in the register maintained by the Company under section 336 of the SFO.

## AUDIT COMMITTEE

The Company has established the audit committee (“**Audit Committee**”) with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. The Audit Committee consists of three members, namely Ms. Tong Yan (independent non-executive Director), Ms. Zhao Lu (non-executive Director) and Mr. Song Baocheng (independent non-executive Director). The chairman of the Audit Committee is Ms. Tong Yan. The Audit Committee has reviewed the unaudited interim results and interim report for the six months ended 30 June 2024. Grant Thornton Hong Kong Limited, the independent auditor of the Company, has reviewed the unaudited condensed consolidated interim financial statements for the six months ended 30 June 2024 in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

## INTERIM DIVIDEND

The Board has not recommended the payment of any interim dividend for the six months ended 30 June 2024 (for the six months ended 30 June 2023: nil).



# Grant Thornton

## 致同

To the board of directors of Financial Street Property Co., Limited  
(incorporated in the People's Republic of China with limited liability)

### INTRODUCTION

We have reviewed the condensed consolidated interim financial statements of Financial Street Property Co., Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) set out on pages 30 to 58, which comprise the condensed consolidated statement of financial position as at 30 June 2024, and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on the interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with HKAS 34.

Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### SCOPE OF REVIEW

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

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with HKAS 34.

### **Grant Thornton Hong Kong Limited**

*Certified Public Accountants*

11th Floor, Lee Garden Two

28 Yun Ping Road

Causeway Bay

Hong Kong SAR

28 August 2024

### **Chiu Wing Ning**

Practising Certificate No.: P04920

## Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2024

	Notes	For the six months ended 30 June	
		2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
<b>Revenue</b>	6	<b>813,694</b>	712,358
Cost of sales and services		<b>(685,829)</b>	(585,870)
<b>Gross profit</b>		<b>127,865</b>	126,488
Other income	7	<b>928</b>	3,098
Other (loss)/gain, net	8	<b>(36)</b>	568
Administrative expenses		<b>(37,983)</b>	(30,269)
Provision for expected credit loss (“ECL”) allowance of trade receivables and other financial assets at amortised cost		<b>(3,805)</b>	(3,270)
<b>Operating profit</b>		<b>86,969</b>	96,615
Finance income	9	<b>7,786</b>	11,193
Finance costs	9	<b>(1,992)</b>	(1,696)
Finance income, net	9	<b>5,794</b>	9,497
Exchange gains, net		<b>3</b>	15
Share of loss from interests in associates, net	15	<b>(726)</b>	(361)
Share of profit/(loss) from interests in joint ventures, net	16	<b>153</b>	(69)
<b>Profit before income tax</b>	10	<b>92,193</b>	105,697
Income tax expense	11	<b>(20,848)</b>	(27,240)
<b>Profit for the period</b>		<b>71,345</b>	78,457
<b>Profit for the period attributable to:</b>			
Owners of the Company		<b>63,467</b>	71,113
Non-controlling interests (“NCI”)		<b>7,878</b>	7,344
<b>Earnings per share, basic and diluted (RMB)</b>	13	<b>0.170</b>	0.190

## Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

*For the six months ended 30 June 2024*

	<b>For the six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Other comprehensive income/(loss)</b>		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Remeasurements of retirement benefit obligations	<b>(112)</b>	(111)
Remeasurements of long service payment (“LSP”) obligations	<b>(262)</b>	—
<i>Items that will be reclassified subsequently to profit or loss</i>		
Exchange gain on translation of financial statements of foreign operations	<b>601</b>	—
<b>Other comprehensive income/(loss) for the period</b>	<b>227</b>	(111)
<b>Total comprehensive income for the period</b>	<b>71,572</b>	78,346
<b>Total comprehensive income attributable to:</b>		
Owners of the Company	<b>63,592</b>	71,002
NCI	<b>7,980</b>	7,344
	<b>71,572</b>	78,346

The notes on pages 36 to 58 are an integral part of these condensed interim consolidated financial statements.

# Condensed Consolidated Statement of Financial Position

As at 30 June 2024

		As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
	<i>Notes</i>		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment properties	14	34,106	22,317
Property, plant and equipment	14	46,133	51,017
Interests in associates	15	9,894	16,204
Interests in joint ventures	16	2,705	2,552
Goodwill		81,274	81,274
Intangible assets		18,336	18,620
Prepayments		1,104	1,858
Other financial assets at amortised cost	18	25,888	43,816
Deferred tax assets		32,452	21,167
<b>Total non-current assets</b>		<b>251,892</b>	258,825
<b>Current assets</b>			
Trade receivables	17	348,151	270,618
Prepayments		17,187	19,221
Other financial assets at amortised cost	18	65,246	52,577
Bank deposits with the maturity over three months		60,612	115,104
Restricted bank deposits		72,932	70,356
Cash and cash equivalents		1,403,839	1,316,199
<b>Total current assets</b>		<b>1,967,967</b>	1,844,075
<b>Total assets</b>		<b>2,219,859</b>	2,102,900
<b>EQUITY AND LIABILITIES</b>			
Share capital	19	373,500	373,500
Reserves	20	608,645	608,520
Retained earnings		262,655	263,804
Equity attributable to owners of the Company		1,244,800	1,245,824
NCI		54,484	57,136
<b>Total equity</b>		<b>1,299,284</b>	1,302,960

## Condensed Consolidated Statement of Financial Position (Continued)

As at 30 June 2024

	Note	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
<b>Non-current liabilities</b>			
Trade and other payables	21	26,219	25,605
Lease liabilities		38,423	34,507
Deferred tax liabilities		1,024	1,192
Retirement benefit obligations		5,139	5,141
LSP obligations		516	399
<b>Total non-current liabilities</b>		<b>71,321</b>	66,844
<b>Current liabilities</b>			
Trade and other payables	21	689,522	580,495
Contract liabilities		124,087	116,992
Current tax liabilities		14,673	16,819
Current portion of lease liabilities		20,565	18,398
Current portion of retirement benefit obligations		337	338
Current portion of LSP obligations		70	54
<b>Total current liabilities</b>		<b>849,254</b>	733,096
<b>Total liabilities</b>		<b>920,575</b>	799,940
<b>Total equity and liabilities</b>		<b>2,219,859</b>	2,102,900

The notes on pages 36 to 58 are an integral part of these condensed consolidated interim financial statements.

# Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2024

	Equity attributable to owners of the Company								Total equity RMB'000
	Share capital	Capital reserve	Statutory reserve	Exchange Reserve	Other reserve	Retained earnings	Total	NCI	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
	(note 19)	(note 20a)	(note 20b)	(note 20c)	(note 20d)				
<b>For the six months ended 30 June 2024 (Unaudited)</b>									
Balance at 1 January 2024 (audited)	373,500	552,615	57,902	(715)	(1,282)	263,804	1,245,824	57,136	1,302,960
Profit for the period	—	—	—	—	—	63,467	63,467	7,878	71,345
Other comprehensive income/(loss) for the period	—	—	—	421	(296)	—	125	102	227
Total comprehensive income/(loss) for the period	—	—	—	421	(296)	63,467	63,592	7,980	71,572
Capital contribution from NCI	—	—	—	—	—	—	—	2,450	2,450
Dividend paid	—	—	—	—	—	—	—	(2,450)	(2,450)
Dividend declared (note 12)	—	—	—	—	—	(64,616)	(64,616)	(10,632)	(75,248)
<b>Balance at 30 June 2024</b>	<b>373,500</b>	<b>552,615</b>	<b>57,902</b>	<b>(294)</b>	<b>(1,578)</b>	<b>262,655</b>	<b>1,244,800</b>	<b>54,484</b>	<b>1,299,284</b>
<b>For the six months ended 30 June 2023 (Unaudited)</b>									
Balance at 1 January 2023 (audited)	373,500	552,615	41,374	—	(975)	213,403	1,179,917	37,145	1,217,062
Profit for the period	—	—	—	—	—	71,113	71,113	7,344	78,457
Other comprehensive loss for the period	—	—	—	—	(111)	—	(111)	—	(111)
Total comprehensive (loss)/income for the period	—	—	—	—	(111)	71,113	71,002	7,344	78,346
Dividend paid	—	—	—	—	—	—	—	(9,521)	(9,521)
Dividend declared (note 12)	—	—	—	—	—	(60,881)	(60,881)	—	(60,881)
<b>Balance at 30 June 2023</b>	<b>373,500</b>	<b>552,615</b>	<b>41,374</b>	<b>—</b>	<b>(1,086)</b>	<b>223,635</b>	<b>1,190,038</b>	<b>34,968</b>	<b>1,225,006</b>

The notes on pages 36 to 58 are an integral part of these condensed consolidated interim financial statements.

# Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2024

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<b>Cash flows from operating activities</b>		
Cash generated from operations	70,898	11,213
Income tax paid	(34,445)	(49,321)
<b>Net cash generated from/(used in) operating activities</b>	<b>36,453</b>	<b>(38,108)</b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(3,140)	(996)
Purchase of intangible assets	(696)	—
Decrease/(Increase) in bank deposits with the maturity over three months	54,492	(18,100)
Capital contribution from NCI	2,450	—
Interest received	7,248	11,091
Dividend received from an associate	5,584	—
Cash received from finance lease	2,271	—
<b>Net cash generated from/(used in) investing activities</b>	<b>68,209</b>	<b>(8,005)</b>
<b>Cash flows from financing activities</b>		
Dividends paid to non-controlling interests	(2,450)	(9,521)
Payment of lease liabilities	(15,097)	(15,527)
<b>Net cash used in financing activities</b>	<b>(17,547)</b>	<b>(25,048)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>87,115</b>	<b>(71,161)</b>
Cash and cash equivalents at beginning of the period	1,316,199	1,443,945
Exchange effect on cash and cash equivalents	525	15
Cash and cash equivalents at end of the period	<b>1,403,839</b>	1,372,799

The notes on pages 36 to 58 are an integral part of these condensed consolidated interim financial statements.

# Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

## 1. GENERAL INFORMATION

Financial Street Property Co., Limited (the “**Company**”, formerly known as “Beijing Financial Street Property Management Co., Ltd.”) was incorporated in the People’s Republic of China (the “**PRC**”) as a limited liability company on 20 May 1994. On 19 September 2019, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. The address of the Company’s registered office is No. 33, Financial Street, Xicheng District, Beijing, the PRC.

The Company’s H shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited on 6 July 2020.

The Company’s immediate holding company is Beijing Huarong Zonghe Investment Co., Ltd. (the “**immediate holding company**”), an investment company established in the PRC. The ultimate holding company of the Company is Beijing Financial Street Investment (Group) Co., Ltd. (the “**ultimate holding company**”), a limited liability company incorporated in the PRC, which is under the control of the State-owned Assets Supervision and Administration Commission of Beijing Xicheng District Municipal Government.

The Company and its subsidiaries (together, the “**Group**”) are primarily engaged in the provision of property management and related services in the PRC and Hong Kong.

The unaudited condensed consolidated interim financial statements are presented in Renminbi (“**RMB**”), unless otherwise stated, and were authorised for issue by the Board of Directors on 28 August 2024.

## 2. BASIS OF PREPARATION OF INTERIM FINANCIAL STATEMENTS

### (i) Basis of preparation

These condensed consolidated interim financial statements for the six months ended 30 June 2024 have been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange and the Hong Kong Accounting Standard (“**HKAS**”) 34, “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2023, which have been prepared in accordance with the Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA.

## 2. BASIS OF PREPARATION OF INTERIM FINANCIAL STATEMENTS (CONTINUED)

### (ii) Application of amendments to HKFRSs

The condensed consolidated interim financial statements for the six months ended 30 June 2024 have been prepared in accordance with the accounting policies adopted in the Group's annual financial statements for the year ended 31 December 2023, except for the adoption of the following new and amended HKFRSs effective as of 1 January 2024. The Group has not early adopted any other standards, interpretation or amendment that has been issued but is not yet effective.

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The Directors anticipate that the adoption of the new and amended HKFRSs had no material impact on how the results and financial position of the Group for the current and prior periods have been prepared and presented.

## 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing this condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2023.

## 4. FINANCIAL RISK MEASUREMENT

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2023.

There have been no material changes in the risk management policies of the Group since the year ended 31 December 2023.

## 5. SEGMENT

The board of directors of the Company is the Group's chief operating decision-maker ("**CODM**"). The board of directors has determined the operating segments for the purposes of allocating resources and assessing performance.

During the six months ended 30 June 2024 and 2023, the Group is principally engaged in the provision of property management and related services in the PRC and Hong Kong, and resources are allocated based on what is beneficial to the Group in enhancing the value as a whole. The board of directors considers the performance assessment of the Group should be based on the results of the Group as a whole. Therefore, the board of directors considers there to be only one operating segment during the six months ended 30 June 2024 and 2023, under the requirement of HKFRS 8.

## 6. REVENUE

Revenues recognised during the six months ended 30 June 2024 and 2023, respectively, are as follows:

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contract with customers		
Property management and related services		
— recognised on a lump sum basis from property management services	623,463	526,027
— recognised on a commission basis from property management services	8,505	6,308
— community value-added services	147,446	137,744
Catering services	29,642	37,095
	<b>809,056</b>	707,174
<b>Revenue from other sources</b>		
Rental income	4,638	5,184
	<b>813,694</b>	712,358

For the six months ended 30 June 2024, Financial Street Group and its joint ventures and associates (the “**Financial Street Affiliates Group**”) contributed 9% of the Group’s revenue (For the six months ended 30 June 2023: 12%). Other than the Financial Street Affiliates Group, the Group has a large number of customers, none of whom contributed 10% or more of the Group’s revenue during the six months ended 30 June 2024 and 2023, respectively.

For the six months ended 30 June 2024

## 6. REVENUE (CONTINUED)

### Geographical information

The Group's revenue from external customers is mainly derived from customers located in Mainland China (location of domicile) and Hong Kong, which is determined based on the location of customers, while the Group's non-current assets are located in Hong Kong and Mainland China, which is determined based on the geographical location of these assets or place of group entities that hold such assets, where appropriate.

	For the six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
External revenue		
— Mainland China	755,186	712,358
— Hong Kong	58,508	—
	<b>813,694</b>	712,358

	For the six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Additions to non-current segment assets (other than financial instruments and deferred tax assets)		
— Mainland China	23,644	1,455
— Hong Kong	134	—
	<b>23,778</b>	1,455

## 7. OTHER INCOME

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Government grants ( <i>note</i> )	867	955
Recognition of additional deductible input VAT	61	2,143
	<b>928</b>	<b>3,098</b>

*Note:*

The government grants were received from PRC local government authorities on a discretionary basis for local business development and employment.

There were no unfulfilled conditions and other contingencies attached to the receipt of subsidy.

## 8. OTHER (LOSS)/GAIN, NET

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Net losses from derecognition of leases upon early termination	(29)	—
Net losses on disposal of property, plant and equipment	(82)	(28)
Others	75	596
	<b>(36)</b>	<b>568</b>

## Notes to Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

### 9. FINANCE INCOME, NET

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Finance income		
Interest income on bank deposits	5,251	8,134
Interest income from a fellow subsidiary	1,997	2,401
Interest income on loans to an associate (note 18)	—	102
Interest income on finance leases	538	556
	<b>7,786</b>	11,193
Finance costs		
Interest expenses for lease liabilities	(1,378)	(1,696)
Imputed interest expenses from consideration payables related to acquisition of a subsidiary	(614)	—
	<b>(1,992)</b>	(1,696)
Finance income, net	<b>5,794</b>	9,497

## 10. PROFIT BEFORE INCOME TAX

Profit for the period is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Staff costs — including directors' emoluments ( <i>note 22(a)</i> )		
— Included in cost of sales and services	<b>275,387</b>	230,789
— Included in administrative expenses	<b>22,228</b>	18,178
Cost of cleaning, security and maintenance services	<b>306,413</b>	243,563
Depreciation		
— Property, plant and equipment ( <i>note 14</i> )	<b>12,571</b>	15,374
— Investment properties ( <i>note 14</i> )	<b>2,752</b>	2,434
Amortisation of intangible assets	<b>1,722</b>	892
Provision for/(Reversal of) ECL allowance		
— Trade receivables ( <i>note 17</i> )	<b>4,001</b>	3,272
— Other financial assets at amortised cost ( <i>note 18</i> )	<b>(196)</b>	(2)
Cost of raw material and consumables for catering services	<b>16,736</b>	30,178
Lease charges:		
— Short term leases	<b>3,800</b>	2,034
— Leases of low value items	<b>3,725</b>	3,408
Professional service fee	<b>2,866</b>	1,579
Taxes and surcharges	<b>3,596</b>	3,178
Auditor's remuneration		
— Audit services	<b>521</b>	521
Exchange gains, net	<b>(3)</b>	(15)

For the six months ended 30 June 2024

**11. INCOME TAX EXPENSE**

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current income tax		
— PRC Corporate Income Tax	<b>31,494</b>	30,793
— Hong Kong Profits Tax	<b>805</b>	—
Deferred tax	<b>(11,451)</b>	(3,553)
Total income tax expense	<b>20,848</b>	27,240

**PRC Corporate Income Tax**

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

The general Corporate Income Tax rate in the PRC is 25% (For the six months ended 30 June 2023: 25%).

Yongtaiheng, Huarong Property Agency, Beijing Jintongtai Catering Co., Ltd., Beijing Financial Street Savills Jingnan Property Management Co., Ltd., Hubei Financial Street Savills Property Management Co., Ltd., Beijing Financial Street Residential Property Management Co., Ltd. and Beijing Jinxi Lilin Life Services Co., Ltd. were qualified as small and micro businesses and enjoyed a preferential income tax rate of 5% as approved by the local tax authority (For the six months ended 30 June 2023: 2.5%); Financial Street Hongya Property Services (Chongqing) Co., Ltd., Beijing Yijigou Trading Co., Ltd., Shandong Financial Street Property Co., Ltd., Zhijia Operations Management (Guangzhou) Co., Ltd and Luoyang Chengtou Property Service Co., Ltd were qualified as small and micro businesses and enjoyed a preferential income tax rate of 5% as approved by the local tax authority (For the six months ended 30 June 2023: Nil).

## 11. INCOME TAX EXPENSE (CONTINUED)

### Hong Kong profits tax

The provision for Hong Kong Profits Tax for the six months ended 30 June 2024 is calculated at 16.5% of the estimated assessable profits for the period, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of qualifying entities are taxed at 8.25%, and the profits above HK\$2,000,000 are taxed at 16.5%.

The provision for Hong Kong Profits Tax for the six months ended 30 June 2024 takes into account a reduction granted by the Hong Kong Government of 100% of the tax payable for the year of assessment 2023/24 subject to a maximum reduction of HK\$3,000 for each business.

## 12. DIVIDENDS

	For the six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Final dividends declared by the Company	<b>64,616</b>	60,881

In the Board meeting of the Company on 27 March 2024, the Board proposed a dividend of RMB64,615,500 which represented the Company's accumulated distributable retained earnings as at 31 December 2023. The proposed dividend was then approved in the shareholders' general meeting on 6 June 2024.

The board of directors of the Company has resolved not to declare an interim dividend for the six months ended 30 June 2024 (For the six months ended 30 June 2023: nil).

### 13. EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company, by the weighted average number of ordinary shares outstanding during the period.

	For the six months ended 30 June	
	2024 <i>(Unaudited)</i>	2023 <i>(Unaudited)</i>
Profit attributable to owners of the Company <i>(RMB'000)</i>	<b>63,467</b>	71,113
Weighted average number of ordinary shares in issue <i>('000)</i>	<b>373,500</b>	373,500
Basic earnings per share <i>(RMB)</i>	<b>0.170</b>	0.190

(b) Diluted earnings per share

Diluted earnings per share is the same as basic earnings per share as the Group had no dilutive potential ordinary shares during the six months ended 30 June 2024 and 2023, respectively.

**14. INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT**

	For the six months ended 30 June 2024 (Unaudited)	
	Investment properties <i>RMB' 000</i>	Property, plant and equipment <i>RMB' 000</i>
<b>Cost</b>		
At beginning of period	47,098	126,746
Additions	14,541	7,798
Disposals and terminations	—	(6,253)
At end of period	61,639	128,291
<b>Accumulated depreciation</b>		
At beginning of period	(24,781)	(75,729)
Depreciation charge for the period	(2,752)	(12,571)
Disposals and terminations	—	6,142
At end of period	(27,533)	(82,158)
<b>Net book amount</b>		
At end of period	34,106	46,133

## 14. INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	For the six months ended 30 June 2023 (Unaudited)	
	Investment properties <i>RMB'000</i>	Property, plant and equipment <i>RMB'000</i>
<b>Cost</b>		
At beginning of period	39,319	165,786
Additions	—	1,455
Disposals and terminations	—	(10,386)
At end of period	39,319	156,855
<b>Accumulated depreciation</b>		
At beginning of period	(19,882)	(86,851)
Depreciation charge for the period	(2,434)	(15,374)
Disposals and terminations	—	8,649
At end of period	(22,316)	(93,576)
<b>Net book amount</b>		
At end of period	17,003	63,279

## 15. INTERESTS IN ASSOCIATES

The movement in interests in associates in the condensed consolidated statement of financial position is as follows:

	For the six months ended 30 June	
	2024 <i>RMB'000</i> (Unaudited)	2023 <i>RMB'000</i> (Unaudited)
At beginning of period	16,204	15,677
Share of post-acquisition loss and other comprehensive loss, net of dividends received	(6,310)	(361)
At end of period	9,894	15,316

## 16. INTERESTS IN JOINT VENTURES

The movement in interests in joint ventures in the condensed consolidated statement of financial position is as follows:

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
At beginning of period	2,552	2,550
Share of post-acquisition profit/(loss) and other comprehensive income/(loss), net of dividends received	153	(69)
At end of period	2,705	2,481

## 17. TRADE RECEIVABLES

	As at	As at
	30 June	31 December
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Trade receivables		
— related parties (note 22(c))	106,113	89,732
— third parties	267,165	202,012
	373,278	291,744
Less: ECL allowance of trade receivables	(25,127)	(21,126)
Trade receivables, net	348,151	270,618

The directors of the Group consider that the fair values of trade receivables which are expected to be recovered within one year are not materially different from their carrying amounts because these balances have short maturity periods on their inception.

The credit terms given to trade customers are determined on an individual basis with normal credit period ranged from 0–365 days.

## Notes to Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

### 17. TRADE RECEIVABLES (CONTINUED)

The ageing analysis of the trade receivables before loss allowances as at 30 June 2024 and 31 December 2023 based on the invoice date is as follows:

	<b>As at 30 June 2024 RMB'000 (Unaudited)</b>	<b>As at 31 December 2023 RMB'000 (Audited)</b>
Within 1 year	<b>282,820</b>	194,931
1–2 years	<b>50,773</b>	47,845
2–3 years	<b>21,578</b>	22,138
Over 3 years	<b>18,107</b>	26,830
<b>Total</b>	<b>373,278</b>	291,744

The movement in the ECL allowance of trade receivables is as follows:

	<b>For the six months ended 30 June</b>	
	<b>2024 RMB'000 (Unaudited)</b>	<b>2023 RMB'000 (Unaudited)</b>
Balance at 1 January	<b>21,126</b>	13,854
ECL allowance recognised during the period	<b>4,001</b>	3,272
Amount written off during the period	<b>—</b>	(278)
<b>Balance at 30 June</b>	<b>25,127</b>	16,848

**18. OTHER FINANCIAL ASSETS AT AMORTISED COST**

	As at 30 June 2024			As at 31 December 2023		
	Current RMB'000 (Unaudited)	Non-current RMB'000 (Unaudited)	Total RMB'000 (Unaudited)	Current RMB'000 (Audited)	Non-current RMB'000 (Audited)	Total RMB'000 (Audited)
Finance lease receivables	7,296	15,805	23,101	7,137	19,494	26,631
Payments on behalf of property owners, tenants and property developers	22,778	—	22,778	25,258	—	25,258
Deposits						
— Related parties	4,420	—	4,420	2,949	—	2,949
— Third parties	21,968	—	21,968	16,188	—	16,188
Amount due from an NCI	7,028	10,496	17,524	—	25,017	25,017
Other	2,833	—	2,833	2,036	—	2,036
	66,323	26,301	92,624	53,568	44,511	98,079
Less: ECL allowance	(1,077)	(413)	(1,490)	(991)	(695)	(1,686)
	65,246	25,888	91,134	52,577	43,816	96,393

The amount due from an NCI was secured by the retained consideration payables to the NCI, interest free and repayable before year 2025.

The Group has entered into lease arrangements as a lessor that are considered to be finance leases. The Group leases properties and as they transfer substantially all of the risks and rewards of ownership of these properties they are classified as finance leases.

## 18. OTHER FINANCIAL ASSETS AT AMORTISED COST (CONTINUED)

The maturity analysis of finance lease receivables, including the undiscounted lease payments to be received are as follows:

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Within 1 year	8,134	8,134
1–2 years	8,134	8,134
2–3 years	8,134	8,134
Over 3 years	222	4,290
Total undiscounted lease payments receivable	<b>24,624</b>	28,692
Unearned finance income	<b>(1,523)</b>	(2,061)
Present value of finance lease receivables	<b>23,101</b>	26,631

The movement in the ECL allowance is as follows:

	For the six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Balance as at 1 January	1,686	1,334
ECL allowance reversed during the period	<b>(196)</b>	(2)
Balance as at 30 June	<b>1,490</b>	1,332

## 19. SHARE CAPITAL

	For the six months ended 30 June 2024 (Unaudited)		For the six months ended 30 June 2023 (Unaudited)	
	Number of shares'000	RMB'000	Number of shares'000	RMB'000
<b>Issued and fully paid</b>				
Balance as at 1 January and 30 June	373,500	373,500	373,500	373,500

## 20. RESERVES

### (a) Capital reserve

The capital reserve of the Group includes the share premium and the consideration in excess of the paid-in capital upon capital injection on and the difference between the consideration and net asset acquired by the Company for the further acquisition of NCI in subsidiaries.

### (b) Statutory reserve

In accordance with the relevant laws and regulations of the PRC and the Articles of Association of the Company, when distributing the net profit of each year, the Company shall appropriate 10% of its profit after taxation (based on the Company's local statutory financial statements) for the statutory surplus reserve fund (except where the reserve balance has reached 50% of the Company's registered capital).

The statutory surplus reserves can be used to make up for the loss or increase the paid in capital after approval from the shareholders and are not distributable as cash dividends.

### (c) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. Movements in this account are set out in the consolidated statement of changes in equity.

### (d) Other reserve

The other reserve represents actuarial gains and losses after tax from experience adjustments and changes in actuarial assumptions for the defined benefit plan.

## Notes to Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

### 21. TRADE AND OTHER PAYABLES

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Trade payables ( <i>note a</i> )	<b>209,856</b>	191,913
Other payables		
— Receipts on behalf of property owners, tenants and property developers	<b>191,414</b>	188,320
— Deposits ( <i>note b</i> )	<b>92,212</b>	87,670
— Accruals	<b>1,143</b>	3,216
— Others	<b>6,945</b>	6,561
Payroll and welfare payables	<b>93,182</b>	84,630
Consideration payables related to acquisition of a subsidiary ( <i>note c</i> )	<b>26,219</b>	25,605
Dividend payables	<b>86,453</b>	11,205
Other tax payables	<b>8,317</b>	6,980
	<b>715,741</b>	606,100
Less: non-current portion		
Consideration payables related to acquisition of a subsidiary ( <i>note c</i> )	<b>(26,219)</b>	(25,605)
Current portion	<b>689,522</b>	580,495

**21. TRADE AND OTHER PAYABLES (CONTINUED)**

Notes:

- (a) The Group was granted by its suppliers credit periods ranging from 0–180 days. Based on the invoice dates, the ageing analysis of the trade payables (including amounts due to related parties of trading in nature) were as follows:

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Within 1 year	194,408	177,278
1–2 years	9,595	6,538
Over 2 years	5,853	8,097
	<b>209,856</b>	191,913

- (b) The balances mainly represent the deposits paid by the property owners, tenants and property developers for property management and refurbishment.
- (c) The consideration payable referred to the balance sum of the consideration payable to the existing shareholder of a subsidiary acquired during the financial year. The consideration is payable subject to the subsidiary achieving certain performance targets and will be settled after 2025.

The carrying amounts of trade and other payables are considered to approximate their fair values, due to their short-term nature.

## 22. RELATED PARTY TRANSACTIONS

Except as disclosed in elsewhere, the Group entered into the following transactions with related parties as follows:

(a) Key management personnel compensation

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Salaries and allowances	2,193	1,966
Discretionary bonuses	3,496	2,844
Retirement scheme contributions	1,212	1,061
	<b>6,901</b>	<b>5,871</b>

**22. RELATED PARTY TRANSACTIONS (CONTINUED)**

## (b) Transactions with related parties

	For the six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
<b>Provision of services</b>		
Provision of property management and related services to the Financial Street Affiliates Group (i)	72,105	88,678
Provision of property management and related services to associates	1,288	1,147
Provision of property management and related services to the holding company of the Company's shareholder	553	433
	<b>73,946</b>	90,258
<b>Finance income</b>		
Interest income from a fellow subsidiary (i)	1,997	2,401
<b>Purchase of services and brand license</b>		
Brand licensing from the ultimate holding company	19	85
Purchase of services from an associate	811	744
Purchase of services from the Financial Street Affiliates Group	1,605	2,513
	<b>2,435</b>	3,342
<b>Rentals</b>		
Rental expenses to fellow subsidiaries (i)	1,684	1,411
Recognition of right-of-use assets and leased assets from fellow subsidiaries (i)	15,007	644
	<b>16,691</b>	2,055
<b>Interest expenses</b>		
Interest expenses for lease liabilities to fellow subsidiaries	1,070	1,208

(i) These transactions constitute connected transactions or continuing connected transactions under the Listing Rules.

**22. RELATED PARTY TRANSACTIONS (CONTINUED)**

## (c) Balances with related parties

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
<b>Trade in nature</b>		
Trade receivables from the Financial Street		
Affiliates Group	103,196	86,715
Trade receivables from an associate	524	1,408
Trade receivables from the holding company of the Company's shareholder	544	—
	<b>104,264</b>	88,123
Other receivables from the Financial Street		
Affiliates Group — Rental deposits	4,416	2,946
Trade and other payables to the Financial Street		
Affiliates Group	34,291	34,483
Trade and other payables to an associate	1,123	553
	<b>35,414</b>	35,036
Contract liabilities to the Financial Street		
Affiliates Group	7,684	7,673
Contract liabilities to an associate	—	6
	<b>7,684</b>	7,679
Lease liabilities to fellow subsidiaries	28,211	20,067
Deposit placed with a fellow subsidiary	346,561	318,693

Other receivables due from fellow subsidiaries mainly consist of rental deposits, which were ongoing and occurred in the ordinary course of the business.