華潤萬象生活有限公司
China Resources Mixc Lifestyle Services Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1209)

ANNOUNCEMENT OF 2022 INTERIM RESULTS

HIGHLIGHTS

For the six months ended 30 June 2022, the Group recorded revenue amounted to RMB5.278 billion, representing a year-over-year ("**YoY**") increase of 31.5%. Among which, revenue from the residential property management services segment was RMB3.354 billion, representing a YoY increase of 40.2% and revenue from the commercial operational and property management services segment was RMB1.924 billion, representing a YoY increase of 18.5%.

For the six months ended 30 June 2022, the gross profit of the Group was RMB1.672 billion, representing a YoY increase of 29.4%, and the gross profit margin was 31.7%, representing a slight decrease of 0.5 percentage point from 32.2% for the corresponding period of last year.

For the six months ended 30 June 2022, the profit attributable to the owners of the Company was RMB1.028 billion, representing a YoY increase of 27.5%, and the core profit attributable to the owners of the Company (excluding revaluation gains of investment properties, amortization of intangible asset – customer relationships and the impact of relevant deferred tax) amounted to RMB1.040 billion, representing a YoY increase of 33.5%.

As at 30 June 2022, the gross floor area ("**GFA**") under management of the Group's property management services was 261.1 million sq.m., while the numbers of opened shopping mall and office buildings for which the Group provided commercial operational services were 72 and 24, respectively.

For the six months ended 30 June 2022, the earnings per share attributable to the owners of the Company was RMB0.450 and the core profit per share attributable to the owners of the Company was RMB0.456.

The Board resolved to declare an interim dividend of RMB0.127 (equivalent to HK$0.145) per share.

The board (the "**Board**") of directors (the "**Directors**") of China Resources Mixc Lifestyle Services Limited (the "**Company**", together with its subsidiaries, the "**Group**") is pleased to announce the unaudited condensed consolidated results of the Group for the six months ended 30 June 2022.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the six months ended 30 June 2022

	Notes	**Six months ended 30 June**	
		2022	2021
		RMB'000	*RMB'000*
		(Unaudited)	(Unaudited)
REVENUE	*5*	**5,277,728**	4,014,403
Cost of sales		**(3,605,262)**	(2,721,728)
Gross profit		**1,672,466**	1,292,675
Gain on changes in fair value of investment properties		**5,000**	36,000
Share of loss of investment in a joint venture		**(435)**	(187)
Share of profit of investment in an associate		**131**	–
Other income and gains	*6*	**284,427**	223,305
Marketing expenses		**(52,997)**	(22,708)
Administrative expenses		**(429,503)**	(387,692)
Other expenses		**(37,346)**	(6,988)
Finance costs		**(36,051)**	(38,122)
PROFIT BEFORE TAX		**1,405,692**	1,096,283
Income tax expenses	*7*	**(376,020)**	(290,249)
PROFIT FOR THE PERIOD		**1,029,672**	806,034
Attributable to:			
Owners of the parent		**1,027,586**	806,034
Non-controlling interests		**2,086**	–
		1,029,672	806,034

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the six months ended 30 June 2022

	Note	Six months ended 30 June	
		2022	2021
		RMB'000	*RMB'000*
		(Unaudited)	(Unaudited)
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted for the period	*9*	**RMB45.0 cents**	RMB35.3 cents
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**1,029,672**	806,034
Attributable to:			
Owners of the parent		**1,027,586**	806,034
Non-controlling interests		**2,086**	–

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2022

	Notes	**June 30 2022 *RMB'000* (Unaudited)**	December 31 2021 *RMB'000* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**532,330**	527,014
Investment properties		**2,269,000**	2,264,000
Intangible assets	*10*	**1,628,090**	115,957
Goodwill	*11*	**1,875,954**	–
Right-of-use assets		**103,102**	99,416
Investment in a joint venture		**–**	435
Investment in an associate		**501**	–
Deferred tax assets		**125,992**	76,585
Deposits paid for purchase of property, plant and equipment	*14*	**4,453**	3,758
Time deposits	*12*	**2,516,608**	2,474,608
Total non-current assets		**9,056,030**	5,561,773
CURRENT ASSETS			
Inventories		**120,358**	138,004
Trade and bill receivables	*13*	**2,081,129**	1,042,609
Prepayments, other receivables and other assets	*14*	**1,047,485**	922,578
Restricted bank deposits		**125,540**	228,720
Cash and cash equivalents		**12,851,691**	13,698,238
Total current assets		**16,226,203**	16,030,149

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 JUNE 2022

	Notes	**June 30 2022** *RMB'000* **(Unaudited)**	December 31 2021 *RMB'000* (Audited)
CURRENT LIABILITIES			
Financial liabilities at fair value through profit or loss	*19*	**390,627**	–
Trade payables	*15*	**1,131,016**	839,115
Other payables and accruals	*16*	**4,189,386**	2,807,313
Contract liabilities		**1,747,597**	1,417,223
Lease liabilities		**69,140**	80,547
Tax payable		**215,051**	133,615
Interest-bearing bank borrowings	*17*	**546,779**	801,249
Total current liabilities		**8,289,596**	6,079,062
NET CURRENT ASSETS		**7,936,607**	9,951,087
TOTAL ASSETS LESS CURRENT LIABILITIES		**16,992,637**	15,512,860
NON-CURRENT LIABILITIES			
Lease liabilities		**1,276,447**	1,277,923
Financial liabilities at fair value through profit or loss	*19*	**685,324**	–
Other liabilities		**12,201**	12,166
Deferred tax liabilities		**738,742**	333,746
Total non-current liabilities		**2,712,714**	1,623,835
NET ASSETS		**14,279,923**	13,889,025

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 JUNE 2022

	Note	**June 30 2022** *RMB'000* **(Unaudited)**	December 31 2021 *RMB'000* (Audited)
EQUITY			
Equity attributable to owners of the parent			
Share capital	*18*	**152**	152
Reserves		**14,253,595**	13,887,728
		14,253,747	13,887,880
Non-controlling interests		**26,176**	1,145
Total equity		**14,279,923**	13,889,025

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. GENERAL INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on 18 May 2017. The registered office address of the Company is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

During the period, the Group was mainly engaged in the provision of residential property management services and commercial operational and property management services in the People's Republic of China (the "**PRC**").

The Company's shares became listed on the main board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 9 December 2020.

In the opinion of the Company's directors, the immediate holding company of the Company is China Resources Land Limited ("**CR Land**"), a public limited company incorporated in the Cayman Islands and its shares are listed on the Stock Exchange. The ultimate holding company of the Company is China Resources Company Limited ("**CRCL**"), a company incorporated in the PRC.

2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2022 has been prepared in accordance with HKAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the 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 2021.

3. CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2021, except for the adoption of the following revised Hong Kong Financial Reporting Standards ("**HKFRSs**") for the first time for the current period's financial information.

Amendments to HKFRS 3	*Reference to the Conceptual Framework*
Amendments to HKAS 16	*Property, Plant and Equipment: Proceeds before Intended Use*
Amendments to HKAS 37	*Onerous Contracts — Cost of Fulfilling a Contract*
Annual Improvements to HKFRSs 2018–2020	Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41

The nature and impact of the revised HKFRSs are described below:

(a) Amendments to HKFRS 3 replace a reference to the previous *Framework for the Preparation and Presentation of Financial Statements* with a reference to the *Conceptual Framework for Financial Reporting* issued in June 2018 without significantly changing its requirements. The amendments also add to HKFRS 3 an exception to its recognition principle for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for liabilities and contingent liabilities that would be within the scope of HKAS 37 or HK(IFRIC)-Int 21 if they were incurred separately rather than assumed in a business combination, an entity applying HKFRS 3 should refer to HKAS 37 or HK(IFRIC)-Int 21 respectively instead of the Conceptual Framework. Furthermore, the amendments clarify that contingent assets do not qualify for recognition at the acquisition date. The Group has applied the amendments prospectively to business combinations that occurred on or after 1 January 2022. As there were no contingent assets, liabilities and contingent liabilities within the scope of the amendments arising in the business combination that occurred during the period, the amendments did not have any impact on the financial position and performance of the Group.

(b) Amendments to HKAS 16 prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such items, and the cost of those items, in profit or loss. The Group has applied the amendments retrospectively to items of property, plant and equipment made available for use on or after 1 January 2021. Since there was no sale of items produced while making property, plant and equipment available for use on or after 1 January 2021, the amendments did not have any impact on the financial position or performance of the Group.

(c) Amendments to HKAS 37 clarify that for the purpose of assessing whether a contract is onerous under HKAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The Group has applied the amendments prospectively to contracts for which it has not yet fulfilled all its obligations at 1 January 2022 and no onerous contracts were identified. Therefore, the amendments did not have any impact on the financial position or performance of the Group.

The nature and impact of the revised HKFRSs are described below: (continued)

(d) *Annual Improvements to HKFRS 2018-2020* sets out amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41. Details of the amendments that are applicable to the Group are as follows:

- HKFRS 9 *Financial Instruments*: clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The Group has applied the amendment prospectively to financial liabilities that are modified or exchanged on or after 1 January 2022. As there was no modification of the Group's financial liabilities during the period, the amendment did not have any impact on the financial position or performance of the Group.

- HKFRS 16 *Leases*: removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying HKFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying HKFRS 16.

4. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision makers ("**CODM**") of the Group, was specifically focused on the segments of the residential property management services and commercial operational and property management services. These divisions are the basis on which the Group reports its segment information under HKFRS 8 *Operating Segments*.

Residential property management services

The Group provides residential property management services to residential properties and other properties. Such services include (i) property management services; (ii) value-added services to property developers; and (iii) community value-added services.

Commercial operational and property management services

Commercial operational and property management services are provided to property developers, owners or tenants of shopping malls and office buildings. For shopping malls, the Group provide property management and other services, commercial operational services and commercial subleasing services. For office buildings, the Group provides property management and other services.

Segment results represent the profit earned or loss incurred before taxation by each segment without allocation of income or expenses which are not recurring in nature or unrelated to the CODM's assessment of the Group's operating performance, e.g., other income and gains, share of loss of investment in a joint venture, share of profit of investment in an associate, gain on changes in fair value of investment properties, unallocated expenses, and finance costs. Segment revenues and results are the measures reported to the CODM for the purposes of resource allocation and performance assessment.

Segment assets exclude unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

The following is an analysis of the Group's revenue and results by operating and reportable segments:

Six months ended 30 June 2022 (unaudited)	**Residential property management services** *RMB'000*	**Commercial operational and property management services** *RMB'000*	**Total** *RMB'000*
Revenue			
Revenue from contracts with customers			
Recognised at a point in time	**329,750**	**–**	**329,750**
Recognised over time	**3,007,954**	**1,795,052**	**4,803,006**
Revenue from other sources			
Rental income	**16,141**	**128,831**	**144,972**
Revenue from external customers	**3,353,845**	**1,923,883**	**5,277,728**
Result			
Segment results	**704,270**	**968,196**	**1,672,466**
Gain on changes in fair value of investment properties			**5,000**
Share of loss of investment in a joint venture			**(435)**
Share of profit of investment in an associate			**131**
Other income and gains			**284,427**
Unallocated expenses			**(519,846)**
Finance costs			**(36,051)**
Profit before tax			**1,405,692**
As at 30 June 2022 (unaudited)			
Segment assets	**8,296,278**	**3,509,978**	**11,806,256**
Reconciliation			
Corporate and other unallocated assets			**13,475,977**
Total assets			**25,282,233**
Segment liabilities	**6,719,387**	**2,738,921**	**9,458,308**
Reconciliation			
Corporate and other unallocated liabilities			**1,544,002**
Total liabilities			**11,002,310**

Six months ended 30 June 2021 (unaudited)	**Residential property management services** *RMB'000*	**Commercial operational and property management services** *RMB'000*	**Total** *RMB'000*
Revenue			
Revenue from contracts with customers			
Recognised at a point in time	190,079	–	190,079
Recognised over time	2,184,911	1,482,095	3,667,006
Revenue from other sources			
Rental income	16,554	140,764	157,318
Revenue from external customers	2,391,544	1,622,859	4,014,403
Result			
Segment results	428,872	863,803	1,292,675
Gain on changes in fair value of investment properties			36,000
Share of loss of investment in a joint venture			(187)
Other income and gains			223,305
Unallocated expenses			(417,388)
Finance costs			(38,122)
Profit before tax			1,096,283
As at 31 December 2021 (audited)			
Segment assets	3,418,899	3,733,263	7,152,162
Reconciliation			
Corporate and other unallocated assets			14,439,760
Total assets			21,591,922
Segment liabilities	4,394,096	2,658,994	7,053,090
Reconciliation			
Corporate and other unallocated liabilities			649,807
Total liabilities			7,702,897

No geographical information is presented as the Group's revenue from the external customers is derived solely from its operation in Mainland China and no non-current assets of the Group are located outside Mainland China.

For the six months ended 30 June 2022, revenue from the ultimate holding company and the fellow subsidiaries contributed 31% (six months ended 30 June 2021: 38%) of the Group's revenue. Other than the revenue from the ultimate holding company and the fellow subsidiaries, no revenue derived from sales to a single customer or a group of customers under common control accounted for 10% or more of the Group's revenue for six months ended 30 June 2022 and 2021.

5. REVENUE

Revenue mainly comprises proceeds from residential property management services and commercial operational and property management services. An analysis of the Group's revenue and cost of services by category for the six months ended 30 June 2022 and 2021 is as follows:

An analysis of revenue is as follows:

	Six months ended 30 June	
	2022	2021
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	**5,132,756**	3,857,085
Revenue from other sources:		
Gross rental income from investment property operating leases:		
— Variable lease payments that do not depend on an index or rate	**28,597**	42,491
— Other lease payments, including fixed payments	**116,375**	114,827
	5,277,728	4,014,403

Revenue from contracts with customers:

	Six months ended 30 June	
	2022	2021
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Type of goods and services		
Residential property management services		
Property management services	**2,381,917**	1,736,233
Community value-added services	**299,743**	205,554
Value-added services to property developers	**411,566**	339,933
Sales of properties	**191,127**	73,642
Others	**53,351**	19,628
	3,337,704	2,374,990
Commercial operational and property management services		
Shopping malls	**1,043,761**	792,112
Office buildings	**751,291**	689,983
	1,795,052	1,482,095
Total revenue from contracts with customers	**5,132,756**	3,857,085
Timing of revenue recognition		
Goods transferred at a point in time	**244,479**	93,270
Services transferred at a point in time	**85,271**	96,809
Services transferred over time	**4,803,006**	3,667,006
Total revenue from contracts with customers	**5,132,756**	3,857,085

6. OTHER INCOME AND GAINS

	Six months ended 30 June	
	2022	2021
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Interest income	**206,025**	148,522
Government grants	**39,406**	34,088
Gain on disposal of items of property, plant and equipment	**706**	6,538
Operating subsidies	**29,116**	–
Exchange gains, net	**–**	4,346
Fair value gains from financial assets at fair value through profit or loss	**–**	28,470
Others	**9,174**	1,341
	284,427	223,305

7. INCOME TAX EXPENSES

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands and British Virgin Islands, the entities within the Group incorporated in the Cayman Islands and British Virgin Islands are not subject to any income tax. The Group's subsidiaries incorporated in Hong Kong are subject to Hong Kong profits tax at the rate of 16.5% on the estimated assessable profits arising in Hong Kong. No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in Hong Kong during the six months ended 30 June 2022 and 2021.

Subsidiaries of the Group operating in Mainland China are generally subject to the PRC corporate income tax ("**CIT**") rate of 25% for the six months ended 30 June 2022 and 2021, excluding certain subsidiaries of the Group in the PRC which are either located in western cities subject to a preferential income tax rate of 15% during the six months ended 30 June 2022 and 2021.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5%.

The provision for PRC Land Appreciation Tax ("**LAT**") is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

The major components of income tax expenses for the periods are as follows:

	Six months ended 30 June	
	2022	2021
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current income tax	**369,026**	240,766
LAT	**14,929**	1,172
Deferred income tax	**(7,935)**	48,311
Total tax charge for the period	**376,020**	290,249

8. DIVIDENDS

A dividend of RMB0.276 (equivalent to HK$0.339) per ordinary share that relates to the year ended 31 December 2021 amounting to RMB661.7 million (equivalent to HK$773.8 million) was recognised during the six months ended 30 June 2022 and paid in August 2022.

On 30 August 2022, the board of directors declared an interim dividend of RMB0.127 (equivalent to HK$0.145) (six months ended 30 June 2021: Nil) per ordinary share, amounting to a total of approximately RMB289.9 million (equivalent to HK$331.0 million) (six months ended 30 June 2021: Nil).

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

The calculation of the basic and diluted earnings per share amount is based on the profit for the six months ended 30 June 2022 attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 2,282,500,000 (six months ended 30 June 2021: 2,282,500,000) in issue during the period.

The Group had no potentially dilutive ordinary shares in issue during the periods ended 30 June 2022 and 2021, respectively.

	Six months ended 30 June	
	2022	2021
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent	**1,027,586**	806,034

	Number of shares Six months ended 30 June	
	2022	2021
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares in issue during the period	**2,282,500,000**	2,282,500,000

10. INTANGIBLE ASSETS

	Customer Relationships	**Software**	**Total**
	RMB'000	***RMB'000***	***RMB'000***
	(Unaudited)	**(Unaudited)**	**(Unaudited)**
30 June 2022			
Cost at 1 January 2022, net of accumulated amortisation	**–**	**115,957**	**115,957**
Additions	**–**	**3,161**	**3,161**
Acquisition of subsidiaries *(note 19)*	**1,530,100**	**9,015**	**1,539,115**
Amortisation provided during the period	**(22,167)**	**(7,976)**	**(30,143)**
At 30 June 2022	**1,507,933**	**120,157**	**1,628,090**
At 30 June 2022:			
Cost	**1,530,100**	**137,747**	**1,667,847**
Accumulated amortisation	**(22,167)**	**(17,590)**	**(39,757)**
Net carrying amount	**1,507,933**	**120,157**	**1,628,090**

	Software
	RMB'000
	(Audited)
31 December 2021	
Cost at 1 January 2021, net of accumulated amortisation	2,238
Additions	116,476
Amortisation provided during the year	(2,757)
At 31 December 2021	115,957
At 31 December 2021	
Cost	125,571
Accumulated amortisation	(9,614)
Net carrying amount	115,957

11. GOODWILL

	30 June 2022	31 December 2021
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
At beginning of the period/year:		
Cost	**–**	–
Acquisition of subsidiaries *(note 19)*	**1,875,954**	–
	1,875,954	–

During the six months ended 30 June 2022, the management of the Group determined that no impairment provision of goodwill should be recognised.

As of the date of approval of the interim financial information, the fair value assessment of the identifiable assets and liabilities of the subsidiaries acquired during the period had not been finalised, and therefore, a provisional goodwill of RMB1,875,954,000 was recognised.

12. TIME DEPOSITS

The balance represents deposit certificates purchased from a creditworthy licensed bank in Mainland China earning interest at a fixed rate of 3.5% per annum with original maturity period of 36 months. The deposits certificates are redeemable upon holding for longer than three months. The contractual terms of the time deposits give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding and are held on basis of a business model with the objective to hold and collect contractual cash flows. For such purpose, the time deposits are accounted for as financial assets at amortised cost.

13. TRADE AND BILL RECEIVABLES

	30 June 2022 *RMB'000* **(Unaudited)**	31 December 2021 *RMB'000* (Audited)
Trade receivables		
— Related parties	**779,036**	703,820
— Third parties	**1,305,021**	339,482
Bill receivables		
— Related parties	**12,472**	7,185
— Third parties	**1,199**	1,057
Impairment	**(16,599)**	(8,935)
	2,081,129	1,042,609

The ageing analysis of the trade receivables based on invoice date were as follows:

	30 June 2022 *RMB'000* **(Unaudited)**	31 December 2021 *RMB'000* (Audited)
Within 1 year	**2,016,545**	1,017,119
1 to 2 years	**63,309**	31,558
2 to 3 years	**14,775**	1,531
Over 3 years	**3,099**	1,336
	2,097,728	1,051,544
Impairment	**(16,599)**	(8,935)
	2,081,129	1,042,609

14. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	30 June 2022	31 December 2021
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Current		
Prepayments	**241,360**	170,979
Deposits	**51,044**	26,870
Other receivables	**308,728**	181,170
Amounts due from related parties	**451,281**	548,639
	1,052,413	927,658
Impairment	**(4,928)**	(5,080)
	1,047,485	922,578
Non-current		
Prepayments	**4,453**	3,758

The other receivables were denominated in RMB, and the fair value of other receivables approximated to their carrying amounts. Other receivables with third parties are unsecured, non-interest-bearing and repayable on demand. Other receivables with related parties are interest-free.

15. TRADE PAYABLES

	30 June 2022	31 December 2021
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade payables		
— Related parties	**89,141**	119,295
— Third parties	**1,041,875**	719,820
	1,131,016	839,115

The aging analysis of the trade payables based on the invoice date are as follows:

	30 June 2022	31 December 2021
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 year	**1,046,649**	763,544
1 to 2 years	**57,348**	54,079
2 to 3 years	**14,895**	12,617
Over 3 years	**12,124**	8,875
	1,131,016	839,115

The trade payables are unsecured, non-interest-bearing and are normally settled within 90 days.

16. OTHER PAYABLES AND ACCRUALS

	30 June 2022 *RMB'000* **(Unaudited)**	31 December 2021 *RMB'000* (Audited)
Other payables and accruals		
— Related parties	**317,439**	316,061
— Third parties	**1,997,681**	1,496,602
	2,315,120	1,812,663
Dividend payable		
— Related parties	**487,819**	–
— Third parties	**173,900**	–
	661,719	–
Salaries payables	**1,070,743**	867,608
Tax payables other than current income tax liabilities	**141,804**	127,042
	4,189,386	2,807,313

17. INTEREST-BEARING BANK BORROWINGS

Details of the terms of the Group's bank borrowings as set out below:

	30 June 2022			31 December 2021		
	Effective interest rate ***(%)***	**Maturity**	***RMB'000***	Effective interest rate *(%)*	Maturity	*RMB'000*
Bank loans – unsecured	**HIBOR+0.65% -HIBOR+0.75%**	**2022**	**546,779**	HIBOR+0.65% -HIBOR+1.65%	2022	801,249

As at 30 June 2022, the Group's bank borrowings amounting to RMB546,779,000 (31 December 2021: RMB801,249,000) are denominated in Hong Kong dollars. CR Land and China Resources (Holdings) Company Limited ("**CRH**") are required to hold, directly or indirectly, not less than 51% and 35%, respectively, of the issued share capital of the Company at any time during the period of the loan in accordance with the terms of the respective loan agreements.

18. SHARE CAPITAL

	30 June 2022 *RMB'000* **(Unaudited)**	31 December 2021 *RMB'000* (Audited)
Authorised:		
5,000,000,000 (31 December 2021: 5,000,000,000) ordinary shares of USD0.00001 each	**338**	338
Issued and fully paid:		
2,282,500,000 (31 December 2021: 2,282,500,000) ordinary shares of USD0.00001 each	**152**	152

19. BUSINESS COMBINATION

Acquisition of Yuzhou

On 22 March 2022, the Group acquired a 100% equity interest in Yuzhou Property Management Co., Ltd. ("**Yuzhou**") from a third party at a consideration including cash consideration, debt assumption and contingent consideration at fair value based on the actual delivery progress of the managed areas. Yuzhou is engaged in the property management business. The acquisition was made as part of the Group's strategy to expand its property management operation in the PRC.

The fair values of identifiable assets and liabilities at the acquisition date are as follows:

	Fair value recognised on acquisition *RMB'000* (Unaudited)
Property, plant and equipment	4,815
Right-of-use assets	1,301
Intangible assets *(note 10)*	458,985
Deferred tax assets	6,852
Prepayments, other receivables and other assets	235,049
Trade and bill receivables	133,634
Restricted bank deposits	10,850
Cash and cash equivalents	41,801
Other payables and accruals	(244,909)
Lease liabilities	(1,449)
Deferred tax liabilities	(114,175)
Trade payables	(67,528)
Tax payable	(5,819)
Contract liabilities	(145,876)
Total identifiable net assets at fair value *(note)*	313,531
Non-controlling interests	(6,074)
Goodwill on acquisition *(note 11)*	609,323
	916,780
Consideration transferred, satisfied by:	
Cash and cash equivalents	582,615
Other payables	102,365
Contingent consideration-a financial liability at fair value through profit or loss *(note)*	231,800
	916,780

Note: After the acquisition date and up to the date of approval of the interim condensed consolidated financial information for the six months ended 30 June 2022, the management is still evaluating all the facts and circumstances in respect of Yuzhou that existed at the acquisition date. The management of the Group has not yet completed its assessment of the economic benefits of the existing customer relationships of Yuzhou. Contingent consideration (representing the consideration for the delivery of the secured areas and the contracted areas) will be payable every six months from the date of the equity transfer agreement in accordance with the actual delivery progress of the managed areas (as converted from secured areas and/or contracted areas), accordingly, the contingent consideration and the customer relationship were determined on a provisional basis.

The goodwill recognised is primarily attributed to the expected synergies and other benefits from combining the assets and activities of property management with those of the Group. None of the goodwill recognised is expected to be deductible for income tax purposes.

Analysis of the cash flows in respect of the acquisition of a subsidiary:

	RMB'000 (Unaudited)
Cash consideration	(582,615)
Cash and bank balances acquired	41,801
Net outflow of cash and cash equivalents	(540,814)

Since the acquisition, Yuzhou contributed RMB189,147,000 to the Group's revenue and RMB19,619,000 to the consolidated profit for the six months ended 30 June 2022.

Had the combination taken place at the beginning of the six months ended 30 June 2022, the revenue from the Group and the profit of the Group for the six months ended 30 June 2022 would have been RMB5,378,222,000 and RMB1,036,992,000, respectively.

Acquisition of Sichuan Jiuzhou

On 25 April 2022, the Group acquired a 51% interest in Sichuan Jiuzhou Qiancheng Property Management Co. LTD ("**Sichuan Jiuzhou**") from a third party at a consideration of RMB33,439,000. Sichuan Jiuzhou is engaged in the property management business. The acquisition was made as part of the Group's strategy to expand its property management operation in the PRC. The Group has elected to measure the non-controlling interest in Sichuan Jiuzhou at the non-controlling interest's proportionate share of Sichuan Jiuzhou's identifiable net assets.

The fair values of identifiable assets and liabilities at the acquisition date are as follows:

	Fair value recognised on acquisition *RMB'000* (Unaudited)
Property, plant and equipment	123
Intangible assets *(note 10)*	16,400
Deferred tax assets	48
Prepayments, other receivables and other assets	26,399
Trade and bill receivables	1,772
Cash and cash equivalents	52
Other payables and accruals	(4,273)
Deferred tax liabilities	(2,460)
Trade payables	(2,046)
Contract liabilities	(13,738)
Total identifiable net assets at fair value	22,277
Non-controlling interests	(10,916)
Goodwill on acquisition *(note 11)*	22,078
	33,439
Satisfied by cash	33,439

The goodwill recognised is primarily attributed to the expected synergies and other benefits from combining the assets and activities of property management with those of the Group. None of the goodwill recognised is expected to be deductible for income tax purposes.

	RMB'000 (Unaudited)
Cash consideration	(33,439)
Cash and bank balances acquired	52
Net outflow of cash and cash equivalents	(33,387)

Since the acquisition, Sichuan Jiuzhou contributed RMB12,456,000 to the Group's revenue and RMB956,000 to the consolidated profit for the six months ended 30 June 2022.

Had the combination taken place at the beginning of the six months ended 30 June 2022, the revenue from the Group and the profit of the Group for the six months ended 30 June 2022 would have been RMB5,288,384,000 and RMB1,028,187,000, respectively.

Acquisition of Nantong Changle and Jiangsu Zhongnan

On 16 May 2022, the Group acquired a 100% interest in Nantong Changle Property Management Co. Ltd. ("**Nantong Changle**") and Jiangsu Zhongnan Property Management Co. Ltd.("**Jiangsu Zhongnan**") from third parties at a consideration including cash consideration, debt assumption and contingent consideration at fair value based on the actual delivery progress of the managed areas. Nantong Changle and Jiangsu Zhongnan are engaged in the property management business. The acquisitions were made as part of the Group's strategy to expand its property management operation in the PRC.

The fair values of identifiable assets and liabilities at the acquisition date are as follows:

	Fair value recognised on acquisition *RMB'000* (Unaudited)
Property, plant and equipment	9,918
Right-of-use assets	10,824
Intangible assets *(note 10)*	1,063,730
Investment in an associate	370
Deferred tax assets	10,461
Prepayments, other receivables and other assets	448,004
Inventories	1,449
Trade and bill receivables	260,913
Restricted bank deposits	558
Cash and cash equivalents	128,775
Other payables and accruals	(385,399)
Lease liabilities	(7,148)
Deferred tax liabilities	(264,250)
Trade payables	(251,056)
Contract liabilities	(342,384)
Total identifiable net assets at fair value *(note)*	684,765
Non-controlling interests	(85)
Goodwill on acquisition *(note 11)*	1,244,553
	1,929,233
Consideration transferred, satisfied by:	
Cash and cash equivalents	818,076
Other payables	267,006
Contingent consideration – a financial liability at fair value through profit or loss *(note)*	844,151
	1,929,233

Note: After the acquisition date and up to the date of approval of the interim condensed consolidated financial information for the six months ended 30 June 2022, the management is still evaluating all the facts and circumstances in respect of Nantong Changle and Jiangsu Zhongnan that existed at the acquisition date. The management of the Group has not yet completed its assessment of the economic benefits of the existing customer relationships of Nantong Changle and Jiangsu Zhongnan. Contingent consideration (representing the consideration for the delivery of the secured areas and the contracted areas) will be payable every six months from the date of the equity transfer agreement in accordance with the actual delivery progress of the managed areas (as converted from secured areas and/or contracted areas), accordingly, the contingent consideration and the customer relationship were determined on a provisional basis.

The goodwill recognised is primarily attributed to the expected synergies and other benefits from combining the assets and activities of property management with those of the Group. None of the goodwill recognised is expected to be deductible for income tax purposes.

Analysis of the cash flows in respect of the acquisition of Nantong Changle and Jiangsu Zhongnan:

	RMB'000 (Unaudited)
Cash consideration	(818,076)
Cash and bank balances acquired	128,775
Net outflow of cash and cash equivalents	(689,301)

Since the acquisition, Nantong Changle and Jiangsu Zhongnan contributed RMB240,577,000 to the Group's revenue and RMB35,451,000 to the consolidated profit for the six months ended 30 June 2022.

Had the combination taken place at the beginning of the six months ended 30 June 2022, the revenue from the Group and the profit of the Group for the six months ended 30 June 2022 would have been RMB5,634,425,000 and RMB921,816,000, respectively.

CHAIRMAN'S STATEMENT

I am pleased to present to shareholders the business review and outlook of the Group for the half year ended 30 June 2022.

During the first half of the year, amid the increasingly sophisticated international environment and the tremendous hit to the local economy by the continuous epidemic outbreak, the domestic market has been suffering from "**threefold pressure**" of demand contraction, supply shocks, and waning expectations. The macro-economy is facing unprecedented challenges. With the successful maintenance of steady macro-economy through effective implementation of a series of stabilization measures by the PRC government, the domestic gross domestic products recorded positive growth for the first half year. Albeit a slight decrease in the domestic total retail sales of consumer goods, it still exceeded RMB21 trillion for the first half of the year, which demonstrated the strong resilience and vitality of the PRC economy. Despite the temporary pressure faced by the commercial management market and the consumption being constrained to a certain extent, the long-term upward trend remains unchanged. With the immutable approaches of continuously propelling urbanization, increasing effort in the construction of international consumption center cities, expanding scale of consumption and upgrading consumption structure, the domestic high-end and high-quality shopping mall segment still embraces good development opportunities. The property management market has ample room for development with industrial concentration steadily enhancing. On the one hand, with the support of continuous adjustment to the real estate industry and the increasing exposure of the credit risks of the real estate companies, leading property enterprises with strong creditworthiness will achieve more healthy development. On the other hand, the significant valuation differentiation of the property management segment in the capital market and the increasingly awareness of the mainstream investors towards the industry will provide higher certainty of the development of the leading property enterprises with strong creditworthiness.

RESULTS FOR THE FIRST HALF YEAR AND THE STEADY GROWTH OF RETURN TO SHAREHOLDERS

Since its listing in 2020, the "2+1" integrated business model of the Group has gained wide recognition from the capital market, with both market value and price-to-earning ratio surpassing the industry. Our management has been persistently committed to realizing outstanding results and enhancing shareholders' value. During the first half of the year, all of our core performance indicators experienced healthy growth. Our operating revenue amounted to RMB5.28 billion, representing a YoY increase of 31.5%, and our core net profit amounted to RMB1.04 billion, accounting for a YoY increase of 33.5%. Earnings per share attributable to the owner of the parent were RMB0.450, and core profit per share attributable to the owner of the parent was RMB0.456, which demonstrated fulfillment our commitment to maintaining our results amid difficult business environment. These excellent results were benefited from the Group's differentiated business model and strategies adopted which were in line with the national strategies. Particularly, our professional operation and management capabilities accumulated over the years and the recognition of the Company's brand by the consumers helped the Company to demonstrate its strong risk resilience ability in face of the challenging external environment and achieve growth in the midst of adverse conditions.

COMMERCIAL MANAGEMENT BUSINESS STAYING AHEAD

During the first half of the year, the commercial management business of the Group continued to stay ahead of the industry and play a leading role in market innovation, striving to become the "PRC's first brand in commercial operational and management". Facing the negative market and epidemic effects, the Group leveraged on the favorable policies of the PRC to address enterprises' difficulties and boost consumption and reacted swiftly to unify its deployment in order to maintain business results and growth, capture resources and ensure business continuity. Our shopping malls under management realized retail sales of RMB59.67 billion, representing a YoY increase of 6.6%. Operating profit margin remained high and the operating profit margin before rental concession achieved steady growth of 1.6 percentage points to 65.5%. Revenue from operational services of shopping malls amounted to RMB0.75 billion, accounting for a YoY increase of 13.6%. The Group further expanded its commercial operational services by obtaining eight new contracted commercial operational projects from the parent company, seven high-quality third-party shopping mall projects in various key cities such as Shanghai, Chengdu and Xiamen, and six high-quality, newly opened shopping malls. We have opened three new luxury shopping malls namely Wuhan MIXC, Fuzhou MIXC and Haikou MIXC, which increase the number of luxury shopping mall of the Group to eleven, further reinforcing our industry-leading position in commercial high-end market. In active response to the adverse effects caused by sluggish leasing demand and the expected downward rental trend, the office building business was able to stabilize and expand by adopting innovative tenant sourcing tools and improving operational services, resulting in a steadily rising overall occupancy rate. Revenue from office building operation and property management services amounted to RMB751 million, representing a YoY increase of 8.9%. As of 30 June 2022, the Group's shopping mall operation and property management services business covered 68 cities, and 74 projects were under operation. Besides, office building operation and property management business covered 42 cities, and 24 projects were under operation.

SPEED UP THE EXPANSION OF PROPERTY MANAGEMENT BUSINESS

During the first half of the year, the Group persisted in the development of high-quality urban space operation and services, continued to upgrade the "MIXC Services" brand, reorganized core business system and speeded up expansion by capitalizing its advantages, thus enabling steady improvement in all business indicators. We recorded an operating revenue of RMB3.35 billion, representing a YoY increase of 40.2%, while the gross profit margin of basic property management services improved to 15.1%. By focusing on core business segment to build up series of products with special features of China Resources, our community value-added services recorded revenue of RMB0.56 billion for the first half of the year, representing a significant increase of 77.7%, and the percentage of revenue it accounts for improved to 16.7%. Meanwhile, the Group adopted a number of measures for active expansion, which realized contracted GFA 22.20 million sq.m. through direct market expansion, representing a YoY increase of 25.4%. We emphasize on the development of urban public space business and successfully obtained "property management city" service projects at Nanhu Street and Sungang Street in Luohu District, Shenzhen, as well as various typical projects such as the environmental health project in Kuiwen District, Weifang City, which accelerated our transformation to be an "urban space operational service provider". By grasping the market opportunities to acquire Yuzhou Property Management Co., Ltd., Jiangsu Zhongnan Property Management Co. Ltd. and Sichuan Jiuzhou Qiancheng Property Management Co. Ltd, our newly added GFA under management amounted to 72.85 million sq.m.. By actively seeking for joint venture and cooperation opportunities with government platform and regional brand real estate enterprises, we had successfully established three joint ventures for coordinated development. As of 30 June 2022, the Group's residential and other property management business covered 136 cities across China, with 323 million sq.m. contracted GFA and 245 million sq.m. GFA under management, of which GFA under management achieved a significant increase of 98 million sq.m. compared with that by the end of 2021.

ACCELERATE THE DEVELOPMENT OF INTEGRATED MEMBERSHIP PROGRAM

The Group accelerated the development of the comprehensive and integrated membership program during the first half of the year. Building on the membership system under our commercial management and property management business, the membership program had been rapidly expanded to six segments under the parent company, including marketing and health care, realizing horizontal integration of high-quality resources and our own "MIXC Star" bonus point brand was officially launched. For the first half year, we had already activated the identities, bonus points and interests of over 30 million cross-segment customers, which paved a solid foundation for further expansion of segmental coverage, further understanding of customers' needs and realization of diverting customer traffic across different segments.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG")

The Group continues to practice the concept of sustainable development and has formulated ESG, "carbon peaking" and "carbon neutrality" strategies to integrate ESG and green and low carbon ideas into our operation and management. We also actively participated in community development and promoted public welfare. We donated RMB1.20 million for the building of Hope Towns (希望小鎮). We stationed and operated four Hope Towns in Jinggangshan, Hongan, Haiyuan and Jianhe integrating the concepts of modern property services into the construction of beautiful rural areas. In response to the appeal of the government, we helped our parent company CR Land and the third-party property owners to alleviate the operating burdens of the tenants, resume development and overcome difficulties together.

PROSPECT AND GRATITUDE

Looking forward to the second half year, the global economy is facing the risks of "high inflation" and "recession", and the PRC is still under great pressure in terms of epidemic control and economic growth. The Group believes that the PRC's series of economic stabilization measures will continue to demonstrate their effectiveness. With the fundamental strengths of strong resilience, high potential and long-term positive prospect of the economy, the PRC, being the world's largest developing county, is undergoing in-depth industrial transformation, consumption upgrade, regional coordination and urbanization, which implies development opportunities. In the second half year, the Group will continue to fulfill its long-term development objective of becoming the world's top-notch enterprise by upholding to the strategic position of "urban quality-life service platform" and actively adapting to the ever-changing market and industry. For the commercial management business, we will facilitate proper resource coordination with our parent company to continue to capitalize our advantages and extend our reach to high-quality external project resources. Adhering to our principle of providing high-quality services and amid the resurgence of the epidemic and sophisticated international situation, we will implement our strategies of "capturing resources, attracting customers, adopting favourable policies and controlling expenses" so as to systematically improve platform operation capability and reinforce our leading position in the industry. The property management business is managed by classification and categorization to maintain service quality. We will also grasp market opportunities and implement various measures for scale expansion, merger and acquisition and integration in order to enhance efficiency. Our transformation to be an "urban space operational service provider" will be accelerated through "operation, services, governance, technology". Meanwhile, with capability empowerment and customer diversion as our core, we will strengthen the bonus point and interest operations, further facilitate digital system development, continue to improve the membership program, enhance customer experience and drive business development.

Last but not least, on behalf of the Board, I would like to extend my heartfelt thanks to the shareholders, customers and all sectors of the society who have been paying close attention to and supporting the development of the Group. We are confident that we can overcome challenges and grasp opportunities to realize outstanding development and continue to create higher value for our shareholders, our staff and our customers!

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group's business is divided into two main segments: (i) residential property management services; and (ii) commercial operational and property management services.

Residential property management services: The Group provides management services for residential properties and other non-commercial properties comprising public facilities such as stadiums, parks and industrial parks, and brings various services to families and residents in the communities to meet their living needs. Our residential property management services can be categorized as follows:

- Property management services, including security, cleaning and greening, as well as repair and maintenance services to (i) property developers for properties prior to their delivery, and (ii) property owners, property owners' associations or residents for properties sold and delivered;

- Value-added services to property developers, including consultancy, preliminary preparation, and pre-delivery marketing services; and

- Community value-added services, including community living services, and brokerage and asset services.

Commercial operational and property management services: commercial properties under our management include shopping malls and office buildings.

For shopping malls, the Group provides:

- Commercial operational services, including pre-opening management and operation management services;

- Property management and other services, principally including security, cleaning and greening, repair and maintenance, as well as other value-added services; and

- Commercial subleasing services, where the Group leases certain quality shopping malls from their owners and sublease to tenants such as retail stores and supermarkets.

For office buildings, the Group provides:

- Commercial operational services, including tenant sourcing, asset management and operational services, and opening preparation services; and property management and other services, principally including security, cleaning and greening, repair and maintenance, as well as other value-added services.

The table below sets forth details of revenue by business segment and type of services as of the dates indicated:

	For the six months ended 30 June			
	2022		2021	
	(RMB'000)	**%**	*(RMB'000)*	%
Residential property management services				
Property management services	**2,381,917**	**45.1**	1,736,233	43.2
Value-added services to property developers	**411,566**	**7.8**	339,933	8.5
Community value-added services	**560,362**	**10.6**	315,378	7.9
Subtotal	**3,353,845**	**63.5**	2,391,544	59.6
Commercial operational and property management services				
Shopping malls	**1,172,592**	**22.2**	932,876	23.2
Office buildings	**751,291**	**14.3**	689,983	17.2
Subtotal	**1,923,883**	**36.5**	1,622,859	40.4
Total	**5,277,728**	**100.0**	4,014,403	100.0

RESIDENTIAL PROPERTY MANAGEMENT SERVICES

PROPERTY MANAGEMENT SERVICES

For the six months ended 30 June 2022, the Group's revenue from property management services amounted to RMB3,353.8 million, representing an increase of 40.2% as compared with the corresponding period of last year, and accounting for 63.5% of our total revenue. The increase in revenue was mainly attributable to the consolidation of the financial statements of the companies acquired and the significant increase in GFA under management brought by marketization and expansion. As of 30 June 2022, there were 1,317 managed residential and other non-commercial properties, representing an increase of 700 as compared to the corresponding date in 2021; the aggregate GFA under management was 244.7 million sq.m., representing a YoY increase of 122.9 million sq.m..

The table below sets forth details of our contracted GFA and GFA under management of residential and other non-commercial properties as of the dates indicated:

	As of 30 June	
	2022	2021
Contracted GFA (sq.m. in thousands)	**322,577**	161,787
Number of projects for contracted GFA	**1,609**	918
GFA under management (sq.m. in thousands)	**244,699**	121,845
Number of projects for GFA under management	**1,317**	617

The table below sets forth a breakdown of the number of residential properties under management, the aggregate GFA under management as of the dates indicated, and revenue generated from property management services by type of property developer for the periods indicated:

	As of 30 June					
	2022			2021		
	GFA under management *(sq.m. in thousands)*	**Number of projects**	**Revenue** *(RMB'000)*	GFA under management *(sq.m. in thousands)*	Number of projects	Revenue *(RMB'000)*
CR Land	**101,210**	**617**	**1,529,785**	86,833	455	1,314,936
CR Group and third-party developers	**143,489**	**700**	**852,132**	35,012	162	421,297
Total	**244,699**	**1,317**	**2,381,917**	121,845	617	1,736,233

VALUE-ADDED SERVICES TO PROPERTY DEVELOPERS

For the six months ended 30 June 2022, the Group recorded revenue generated from value-added services to property developers of RMB411.6 million, accounting for 7.8% of our total revenue and increased by 21.1% as compared with the corresponding period of last year. Such increase was mainly attributable to the increase caused by the consolidation of the financial statements of the company acquired by the Group.

COMMUNITY VALUE-ADDED SERVICES

For the six months ended 30 June 2022, the Group recorded revenue generated from community value-added services of RMB560.4 million, increased by 77.7% as compared with the corresponding period of last year, and accounting for 10.6% of our total revenue. Such increase was primarily resulted from the expansion of the Group's management scale in respect of the provision of community services and asset operation and investment services to our property residents.

COMMERCIAL OPERATIONAL AND PROPERTY MANAGEMENT SERVICES

SHOPPING MALLS

For the six months ended 30 June 2022, the Group's revenue from the commercial operational and property management services to shopping malls amounted to RMB1,172.6 million, representing an increase of 25.7% as compared with the corresponding period of last year, and accounting for 22.2% of the total revenue. As of 30 June 2022, the Group provided commercial operational services to 72 opened shopping mall projects with an aggregate GFA of 7.9 million sq.m., a vast majority of which were also receiving our property management services. In addition, the Group has two opened shopping mall subleasing projects as of 30 June 2022.

85.6% of the segment revenue was generated from the provision of commercial operational services and property management services to shopping malls, with the remaining revenue from the provision of commercial subleasing services.

The table below sets forth details of the contracted GFA and GFA of projects opened under commercial operational services and property management services for shopping malls as of the dates indicated:

	As of 30 June	
	2022	2021
Contracted GFA (sq.m. in thousands)	**14,192**	12,073
Number of projects for contracted GFA	**133**	116
GFA of projects opened (sq.m. in thousands)	**7,935**	6,906
Number of projects opened	**72**	64

The table below sets forth a breakdown of the number of opened shopping malls receiving commercial operational services and the aggregate GFA as of the dates indicated, and revenue generated from commercial operational services and property management services by type of property developer for the periods indicated:

	As of 30 June					
	2022			2021		
	GFA under management	**Number of projects**	**Revenue**	GFA under management	Number of projects	Revenue
	(sq.m. in thousands)		***(RMB'000)***	*(sq.m. in thousands)*		*(RMB'000)*
CR Land	**6,992**	**59**	**899,530**	5,769	47	685,379
CR Group and third-party developers	**943**	**13**	**104,689**	1,137	17	66,353
Total	**7,935**	**72**	**1,004,219**	6,906	64	751,732

OFFICE BUILDINGS

For the six months ended 30 June 2022, the Group's revenue from the commercial operational and property management services to office buildings was RMB751.3 million, representing an increase of 8.9% as compared with the corresponding period of last year, accounted for 14.3% of the total revenue. As of 30 June 2022, the Group provided commercial operational services for 24 office buildings with an aggregate GFA of 1.6 million sq.m., and property management services for 128 office buildings with an aggregate GFA of 8.7 million sq.m..

92.8% of the segment revenue was generated from the provision of property management services to office buildings, with the remaining revenue from the provision of commercial operational services.

The table below sets forth details of our contracted GFA and GFA under management of office buildings as of the dates indicated:

	As of 30 June	
	2022	2021
Commercial operational services		
Contracted GFA (sq.m. in thousands)	**2,041**	1,767
Number of projects for contracted GFA	**32**	29
GFA of the commercial operational services (sq.m. in thousands)	**1,622**	1,487
Number of projects for commercial operational services	**24**	24
Property management services		
Contracted GFA (sq.m. in thousands)	**11,261**	9,908
Number of projects of contracted GFA	**148**	114
GFA of the property management services (sq.m. in thousands)	**8,710**	7,088
Number of projects for property management services	**128**	93

The table below sets forth a breakdown of the number of office buildings under management, the aggregate GFA under management as of the dates indicated, and revenue generated from commercial operational services and property management services for the periods indicated by type of property developers:

	As of 30 June					
	2022			2021		
	GFA under management *(sq.m. in thousands)*	**Number of projects**	**Revenue** *(RMB'000)*	GFA under management *(sq.m. in thousands)*	Number of projects	Revenue *(RMB'000)*
Commercial operational services						
CR Land	**1,184**	**18**	**42,518**	1,120	19	65,886
CR Group and third-party developers	**438**	**6**	**11,636**	367	5	16,933
Total	**1,622**	**24**	**54,154**	1,487	24	82,819
Property management services						
CR Land	**6,926**	**83**	**516,030**	6,152	75	502,616
CR Group and third-party developers	**1,784**	**45**	**181,107**	936	18	104,548
Total	**8,710**	**128**	**697,137**	7,088	93	607,164

OUTLOOK

ACCELERATE EXPANSION AND PROMOTE THE LEADING MARKET POSITION OF THE COMPANY

The Group plans to selectively acquire, or establish joint ventures with, property management and commercial operational service providers with complementary strengths or with targeted operation scale and profitability. Meanwhile, the Group will adhere to its strategy to penetrate regional market and take advantage of its business network in cities with business presence established and the brand advantages. In particular, it will continue to expand the property management service portfolios to all property types while focusing on medium and high-end segment in terms of commercial operational services. In addition, it will strive to secure quality projects from third parties to enhance market share and realize economies of scale.

The Group will continue to work with CR Land to win new engagements of property management and commercial operational services for residential properties and commercial properties developed or owned by CR Land for a stable expansion of our business. The Group also plans to undertake management services engagements relating to properties owned by China Resources (Holdings) Company Limited, its holding companies, and their respective subsidiaries (collectively, "**CR Group**"), such as industrial parks and factories. In addition, the Group plans to seize new business opportunities from CR Group and CR Land to help us expand into new property segments and strengthen the Company's platform.

MAINTAINING HIGH-QUALITY SERVICES TO CUSTOMERS AND IMPROVING PROFESSIONAL OPERATION AND MANAGEMENT

The Group adheres to the principle of high-quality services. Riding on years of professional experience accumulated in the commercial retail and service fields and following the trend of technology innovation and digital transformation, we will continue to improve our professional operation and service system to achieve high-quality development and continuous improvement of customer experience. Meanwhile, we aim to introduce more CR Group and CR Land's services and resources to the Company's managed properties so as to bring more value to our customers. In addition, we will also leverage on our advantages on "space, customer and resource" to construct an integrated ecosystem featured with all segments, all customers, all products and full spectrum of service offerings with the goal of becoming the creator of urban ecological services and better life of people.

PURSUE STRATEGIC INVESTMENTS IN THE COMPANY'S ECOSYSTEM

The Group plans to pursue strategic investments in national or regional service providers with specialized businesses that are synergistic with our business, such as brokerage, asset management and new retail, to build an ecosystem of service offerings that promotes customer loyalty. Meanwhile, the Group plans to pursue strategic investments in upstream and downstream business partners in the Company's industry to enhance the Company's profitability and broaden our customer base.

DEVELOP AN INTEGRATED MEMBERSHIP PROGRAM WITH CROSS-BUSINESS FUNCTION

The Group intends to further integrate residential communities, shopping malls and office buildings under our management to create more business opportunities. We plan to promote the membership system to attract third-party merchants and further develop our platform and ecosystem through creating value and growth opportunities, and continue to enhance the functionality of our membership programs to capture members' interest in our products and services offered under the membership programs, enhance their loyalty and further attract new users to our ecosystem in an efficient manner. We will also consolidate our membership programs, which allows the Company to fully understand the needs of users, enrich the options for the interests of the members, improve customers' cross platform experience, realize cross-segment customer diversion. We will actively leverage on the Company's membership programs to promote our corporate brand and enhance our brand image and customer loyalty.

ACTIVELY PROMOTE TECHNOLOGY EMPOWERMENT, CONTINUE TO ENHANCE SERVICE UPGRADE AND ORGANIZATIONAL IMPROVEMENT

The Group plans to promote digitization initiatives of "technology-enabling production, operation digitization, data capitalization and space intelligentization" to enhance operational efficiency and users' experience by technology empowerment. We also plan to pursue strategic investments in technology companies relating to commercial operation, property management and urban management. Meanwhile, the Group will continue to upgrade the functionality and capability of our digitized service platforms under commercial management business, such as "E-MIXC"and "Officeasy" apps, to reconstruct and improve the system for the core property management business and create a unique experience for our users.

EXPAND HUMAN RESOURCES THROUGH RECRUITMENT, TRAINING AND REWARDS

The Group plans to attract talents with competitive remuneration packages and excellent corporate culture and reputation, and organize regular training provided by senior employees and external consultants. The Group will also continue to refine its remuneration scheme and formulate employee incentive mechanism to better align their benefits with our interest. In addition, the Group plans to enhance the sense of pride, mission and professionalism of its employees through the promotion of corporate culture.

FINANCIAL REVIEW

REVENUE

The Group's revenue is mainly generated from two business segments: (i) residential property management services and (ii) commercial operational and property management services.

During the six months ended 30 June 2022, the Group's revenue amounted to RMB5,277.7 million, representing an increase of 31.5% as compared with the corresponding period of last year. Such increase was primarily due to (i) the considerable growth in results caused by the consolidation of the financial statements of the companies acquired and the significant increase in the GFA under management as a result of market expansion; and (ii) the increase in revenue from commercial operational and management services driven by the increase in the number of contracted commercial projects from CR Land and third-party property owners.

COST OF SALES

The Group's cost of sales mainly comprises (i) staff costs, (ii) subcontracting costs, (iii) utilities costs, (iv) common area facility costs, and (v) office and related expenses.

For the six months ended 30 June 2022, the Group's cost of sales amounted to RMB3,605.3 million, representing an increase of 32.5% as compared with the corresponding period of last year. Such increase was primarily due to the increase in various types of corresponding costs resulting from the continuous growth of business scale.

GROSS PROFIT AND GROSS PROFIT MARGIN

For the six months ended 30 June 2022, the gross profit of the Group amounted to RMB1,672.5 million, representing a YoY increase of 29.4%, and the gross profit margin was 31.7%, representing a decrease of 0.5 percentage point as compared with the corresponding period of last year.

The table below sets forth details of the gross profit and gross profit margin by segment as of the dates indicated:

	For the six months ended 30 June			
	2022		2021	
	Gross profit	**Gross profit margin**	Gross profit	Gross profit margin
	(RMB'000)	***%***	*(RMB'000)*	*%*
Residential property management services				
Property management services	**358,957**	**15.1**	231,092	13.3
Value-added services to property developers	**159,661**	**38.8**	88,550	26.0
Community value-added services	**185,652**	**33.1**	109,230	34.6
Subtotal	**704,270**	**21.0**	428,872	17.9
Commercial operational and property management services				
Shopping malls	**722,504**	**61.6**	631,257	67.7
Office buildings	**245,692**	**32.7**	232,546	33.7
Subtotal	**968,196**	**50.3**	863,803	53.2
Total	**1,672,466**	**31.7**	1,292,675	32.2

For the six months ended 30 June 2022, the gross profit margin of residential property management services was 21.0%, with a YoY growth of 3.1 percentage points. The increase was mainly due to the effective cost control and the improvement of operating efficiency.

For the six months ended 30 June 2022, the gross profit margin of commercial operational and property management services was 50.3%, with a YoY decrease of 2.9 percentage points. The decrease in gross profit margin of this segment was mainly due to the decrease in the revenue from the commercial operational services as a result of the rental concession of the commercial projects under management of the Group.

GAIN ON CHANGES IN FAIR VALUE OF INVESTMENT PROPERTIES

For the six months ended 30 June 2022, the Group recorded gain on changes in fair value of investment properties of RMB5.0 million, which was mainly related to the valuation increase due to the rise in the rental level of our subleasing project, Shenzhen Buji MIXONE.

OTHER INCOME AND GAINS

For the six months ended 30 June 2022, the Group recorded other income and gains of RMB284.4 million, representing an increase of 27.4% as compared with the corresponding period of last year, which was mainly attributable to the increase in the interest income of bank deposits.

MARKETING EXPENSES

For the six months ended 30 June 2022, the Group recorded marketing expenses of RMB53.0 million, representing an increase of 133.4% as compared with the corresponding period of last year, which was mainly due to the increase in expenses for market expansion as the Group devoted more effort in business expansion.

ADMINISTRATIVE EXPENSES

For the six months ended 30 June 2022, our administrative expenses was RMB429.5 million, representing an increase of 10.8% as compared with the corresponding period of last year, which was primarily attributable to the increased staff costs and office expenses as a result of the Group's business expansion. Benefited from the significant results of cost control and efficiency improvement, administrative expenses as a percentage of revenue decreased by 1.6 percentage points as compared with that in the corresponding period of last year.

INCOME TAX

For the six months ended 30 June 2022, the Group's effective income tax rate was 26.8%, increased by 0.3 percentage point as compared with the corresponding period of last year.

PROFIT FOR THE PERIOD

For the six months ended 30 June 2022, the Group's net profit was RMB1,029.7 million, increased by 27.7% as compared with the corresponding period of last year.

LIQUIDITY AND CAPITAL RESOURCES

For the six months ended 30 June 2022, the Group's total bank deposits and cash (including restricted bank deposits) are mainly held in RMB and amounted to RMB12,977.2 million, representing a decrease of 6.8% as compared to the end of last year, mainly due to the acquisitions and mergers and repayment of overseas loans.

As of 30 June 2022, the Group's borrowings were floating interest borrowings of HK$639.4 million (equivalent to RMB546.8 million). The borrowings were mainly used for the payment of the consideration of acquisition of China Resources Huan Le Song (Hong Kong) Limited (華潤歡樂頌(香港)有限公司) prior to the listing of the Company and for the payment of dividends to the shareholders.

GEARING RATIO

For the six months ended 30 June 2022, the Group's gearing ratio was 43.5%, representing an increase of 7.8 percentage points as compared with that as of the end of last year. The gearing ratio was calculated by total liabilities divided by total assets.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

On 5 January 2022, Runying Property Technology Service Company Limited (潤楹物業科技服務有限公司) ("**Runying**") (as the purchaser), a wholly-owned subsidiary of the Company, and Tianjin Yujia Life Service Company Limited (天津禹佳生活服務有限公司) ("**Tianjin Yujia**") (as the seller) entered into a framework agreement for the proposed sale and purchase of the equity interest in Yuzhou Property Service Company Limited (禹洲物業服務有限公司) ("**Yuzhou Property**"). On 8 March 2022, Runying and Tianjin Yujia entered into an equity transfer agreement. The consideration of the sale and purchase of the equity interest in Yuzhou Property is RMB1,058 million. Yuzhou Property is principally engaged in the business of property management services in the People's Republic of China. Further details of the transaction are set out in the announcements of the Company dated 5 January 2022 and 8 March 2022.

On 20 January 2022, Super Honour Development Limited (創潤發展有限公司) ("**Super Honour**") (as the purchaser), a wholly-owned subsidiary of the Company, entered into an equity transfer agreement with, among others, HongKong Rainbow Property Limited (香港彩虹物業有限公司) ("**Seller 1**") and HongKong Lehuo Property Limited (香港樂活物業有限公司) ("**Seller 2**", together with Seller 1, the "**Sellers**"), pursuant to which (i) Super Honour has agreed to acquire, and Seller 1 has agreed to sell, the entire equity interests of Nantong Changle Property Co., Limited (南通長樂物業有限公司) ("**Nantong Changle**"); and (ii) the Purchaser has agreed to acquire, and Seller 2 has agreed to sell, 1% of the equity interests of Jiangsu Zhongnan Property Services Co., Ltd. (江蘇中南物業服務有限公司) ("**Jiangsu Zhongnan**"). On 27 April 2022, Super Honour and, among others, the Sellers entered into a supplemental agreement to the equity transfer agreement. The consideration of the sale and purchase of the equity interest in Nantong Changle and Jiangsu Zhongnan is RMB2,485 million. Nantong Changle and Jiangsu Zhongnan and its subsidiaries and branches are principally engaged in the business of property management services in the People's Republic of China. Further details of the transaction are set out in the announcements of the Company dated 20 January 2022 and 27 April 2022.

As of the date of this announcement, these two transactions have been completed.

Save as disclosed above, during the six months ended 30 June 2022, the Group had no significant investments and material acquisitions or disposals of subsidiaries, associates and joint ventures. In addition, save as disclosed in the section "Future Plans and Use of Proceeds" in the prospectus of the Company dated 25 November 2020, the Group has no future plans for material investments or capital assets.

PROCEEDS OF THE LISTING

The shares of the Company were successfully listed on the Stock Exchange on 9 December 2020, with total proceeds of the listing amounted to approximately RMB11,600.4 million after deducting the underwriting fees and relevant expenses.

As of 30 June 2022, RMB3,073.5 million of the listing proceeds had been utilised and the remaining was held by way of bank deposits.

Business objective as stated in the Prospectus		Proportion	Planned use of net proceeds	Proceeds unused as of 31 December 2021	Actual use of net proceeds during the six months ended 30 June 2022	Proceeds unused as of 30 June 2022	Expected timeline for fully utilizing the net proceeds from the listing
			RMB million	*RMB million*	*RMB million*	*RMB million*	
(i)	Making strategic investments and acquisitions to expand our property management and commercial operational businesses	60%	6,960.3	6,960.3	1,471.3	5,489.0	By December 2025
(ii)	Pursuing strategic investment in providers of value-added services and across the upstream and downstream supply chain of our industry	15%	1,740.1	1,648.0	49.4	1,598.6	By December 2025
(iii)	Investing in information technology systems and smart communities	15%	1,740.1	1,612.3	172.9	1,439.4	By December 2025
(iv)	Working capital and general corporate uses	10%	1,160.0	–	–	–	By December 2025
		100%	11,600.4	10,220.5	1,693.7	8,526.9	

* The sum of the data may not add up to the total due to rounding

PROPERTY HELD FOR INVESTMENT

For the six months ended 30 June 2022, one of the properties of the Group, Shenzhen Buji MIXONE, was recognized as the investment property under HKFRS 16 in the consolidated statement of financial position, and the relevant percentage ratios of such investment property exceeds 5% pursuant to Rule 14.04(9) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). Shenzhen Buji MIXONE is located at No. 2 Xiangge Road, Buji Area, Longgang District, Shenzhen, Guangdong Province, the People's Republic of China. It is currently used for commercial subleasing services and is held under long-term lease. During the effective term of the lease contract, the lessor has no right to unilaterally terminate the contract except for force majeure events and extreme conditions such as the default on rental payment by the Group, illegal operation and damage to the buildings.

CONTINGENT LIABILITIES

As of 30 June 2022, the Group had no material contingent liabilities (31 December 2021: Nil).

PLEDGE OF ASSETS

As of 30 June 2022, the Group had no pledge of assets (31 December 2021: nil).

FOREIGN CURRENCY RISK

As the Group's business is mainly conducted in the PRC, we mainly adopt RMB as the settlement currency. As of 30 June 2022, non RMB assets and liabilities mainly included the cash of HK$67.6 million, US$0.01 million, and the bank borrowings of HK$639.4 million. The Group has settled in full the HK dollar denominated borrowings on 29 July 2022. The management believed that the operation of the Group was not exposed to material foreign currency risk. No significant impact was caused by the fluctuation of RMB exchange rate on the Group's financial position. Currently, the Group does not have any hedging policies against its foreign exchange risk, but the management will actively monitor the foreign exchange exposure and make necessary adjustments in accordance with the changes in market environment.

CONTINUING DISCLOSURE REQUIREMENT UNDER RULE 13.21 OF THE LISTING RULES

The Company entered into the following loan agreements which have specific performance covenant of its controlling shareholders. The obligations of such loan agreements continue to exist as of the date of this announcement. As at the date of this announcement, CRH beneficially owns directly or indirectly approximately 73.72% of the issued share capital of the Company, and CR Land is the single largest shareholder of the Company, directly owning approximately 72.29% of the issued share capital of the Company and being able to control the Company.

- A revolving loan facility letter for a facility in an aggregate amount up to HKD620,000,000 with no fixed term and is repayable on demand by the lender was entered into on 28 June 2021, details of which have been disclosed in the announcement dated 28 June 2021. The Company undertakes that during the term of the facility, CRH shall directly or indirectly own no less than 35% of the beneficial ownership of the Company, and CR Land shall remain as the single largest shareholder of the Company, directly or indirectly owning no less than 51% of the beneficial ownership of the Company and being able to control the Company. If a change of control resulting in violation of the relevant undertakings under this facility letter occurs, the lender may declare any commitment under this facility letter to be cancelled and/or declare the outstanding loans, together with all the interests accrued thereon, and all other amounts due under this facility letter shall become immediately due and payable.

- A revolving loan facility letter for a facility in an aggregate amount of up to HKD600,000,000 with a maturity date of 12 months was entered into on 20 October 2021, details of which have been disclosed in the announcement dated 20 October 2021. The Company undertakes that during the term of the facility, the Company shall procure that CRH and CR Land remain directly or indirectly interested in no less than 35% and 51% of the issued share capital of the Company respectively. If violation of the relevant undertakings under this facility letter occurs, the lender may declare any commitment under this facility letter to be cancelled and/or declare the outstanding loans, together with all the interests accrued thereon, and all other amounts due under this facility letter shall become immediately due and payable.

- A revolving loan facility letter for a facility in an aggregate amount of up to RMB1,000,000,000 with a maturity date of 12 months was entered into on 23 March 2022, details of which have been disclosed in the announcement dated 23 March 2022. The Company undertakes that during the term of the facility, the Company shall procure that CR Land remain directly or indirectly interested in no less than 51% of the issued share capital of the Company and remain to be the single largest shareholder of the Company. If violation of the relevant undertakings under this facility letter occurs, the lender may declare any commitment under this facility letter to be cancelled and/or declare the principal amount advanced and the outstanding loans, together with all the interests accrued thereon, and all other amounts due under this facility letter shall become immediately due and payable.

SUBSEQUENT EVENT

The Group had no significant events occurred after 30 June 2022 and up to the date of this announcement which have material impact on the performance and the value of the Group.

EMPLOYEE AND COMPENSATION POLICY

As of 30 June 2022, the Group had 39,205 full time employees in Mainland China and Hong Kong. The Group remunerates its employees based on their performance, working experience and market salary levels. In addition, performance bonus is granted on a discretionary basis. Other employee benefits include provident fund, insurance and medical coverage.

CORPORATE GOVERNANCE PRACTICES

The Company recognizes the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability.

The Company has applied the principles and adopted the code provisions stated in the Corporate Governance Code contained in Appendix 14 to the Listing Rules (the "**CG Code**"). The Company is committed to the view that the Board should include a balanced composition of executive Directors and independent non-executive Directors so that there is a strong independent element on the Board, which can effectively exercise independent judgment.

The Company has complied with all applicable code provisions set out in the CG Code for the six months ended 30 June 2022. In compliance with the amended requirements under the CG Code with effect from 1 January 2022, the Company has established and adopted a whistleblowing policy according to code provision D.2.6 of the CG Code. The Company has also adopted rules to support anti-bribery and anti-corruption according to code provision D.2.7 of the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "**Model Code**") as its own securities dealing code to regulate all dealings by Directors and relevant employees of securities in the Company and other matters covered by the Model Code.

Specific enquiry has been made by the Company to all the Directors and the relevant employees and they have confirmed that they have complied with the Model Code for the six months ended 30 June 2022.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 June 2022, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company.

AUDIT COMMITTEE AND AUDITOR

Interim results for the six months ended 30 June 2022 have been reviewed by the Audit Committee which comprises three independent non-executive Directors and one non-executive Director (namely Mr. CHAN Chung Yee Alan (Chairman), Mr. CHEUNG Kwok Ching, Ms. QIN Hong and Mr. GUO Shiqing). The financial information included in this announcement for the six months ended 30 June 2022 has been agreed by the auditor of the Company.

INTERIM DIVIDEND

The Board resolved to declare an interim dividend of RMB0.127 (equivalent to HK$0.145) per share ("**2022 Interim Dividend**") for the six months ended 30 June 2022 payable on or around 31 October 2022 to shareholders whose names appear on the register of members of the Company on 16 September 2022.

The 2022 Interim Dividend will be payable in cash to each shareholder in Hong Kong Dollars ("**HKD**") unless an election is made to receive the same in Renminbi ("**RMB**").

Shareholders will be given the option to elect to receive all or part of the 2022 Interim Dividend in RMB at the exchange rate of HKD1.0: RMB0.8733, being the average benchmark exchange rate of HKD to RMB as published by the People's Bank of China during the five business days immediately before 30 August 2022. If shareholders elect to receive the 2022 Interim Dividend in RMB, such dividend will be paid to shareholders at RMB0.127 per share. To make such election, shareholders should complete the dividend currency election form which is expected to be dispatched to shareholders in September 2022 as soon as practicable after the record date of 16 September 2022 to determine shareholders' entitlement to the 2022 Interim Dividend, and lodge it to branch share registrar of the Company, Tricor Investors Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on 11 October 2022.

Shareholders who are minded to elect to receive all or part of their dividends in RMB by cheques should note that (i) they should ensure that they have an appropriate bank account to which the RMB cheques for dividend can be presented for payment; and (ii) there is no assurance that RMB cheques can be cleared without material handling charges or delay in Hong Kong or that RMB cheques will be honoured for payment upon presentation outside Hong Kong. The cheques are expected to be posted to the relevant shareholders by ordinary post on 31 October 2022 at the shareholders' own risk.

If no duly completed dividend currency election form in respect of that shareholder is received by the branch share registrar of the Company by 4:30 p.m. on 11 October 2022, such shareholder will automatically receive the 2022 Interim Dividend in HKD. All dividend payments in HKD will be made in the usual ways on or around 31 October 2022.

If shareholders wish to receive the 2022 Interim Dividend in HKD in the usual way, no additional action is required.

Shareholders should seek professional advice with their own tax advisers regarding the possible tax implications of the dividend payment.

The Board is not aware of any shareholders who have waived or agreed to waive any dividends.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed on 16 September 2022 during which period no transfer of shares will be effected. In order to qualify for the 2022 Interim Dividend, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Hong Kong branch share registrar of the Company, Tricor Investors Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 15 September 2022.

PUBLICATION OF INTERIM RESULTS ON THE WEBSITE OF THE STOCK EXCHANGE

The Company's interim report for the six months ended 30 June 2022 containing the relevant information required by the Listing Rules will be published on the websites of the Stock Exchange and the Company (http://www.crmixclifestyle.com.cn) in due course.

By Order of the Board
China Resources Mixc Lifestyle Services Limited
LI Xin
Chairman

The PRC, 30 August 2022

As at the date of this announcement, the Board of directors of the Company comprises Mr. LI Xin and Mr. GUO Shiqing as non-executive directors, Mr. YU Linkang, Mr. WANG Haimin, Ms. WEI Xiaohua and Ms. YANG Hongxia as executive directors, and Mr. LAU Ping Cheung Kaizer, Mr. CHEUNG Kwok Ching, Mr. CHAN Chung Yee Alan and Ms. QIN Hong as independent non-executive directors.

In this announcement, certain amounts and figures presented may have been rounded to the nearest units. Any discrepancies in or between any table or announcement content are due to rounding.