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**祈福生活服務**  
CLIFFORD MODERN LIVING

## **CLIFFORD MODERN LIVING HOLDINGS LIMITED**

**祈福生活服務控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3686)**

### **ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024**

#### **FINANCIAL HIGHLIGHTS**

	For the year ended 31 December		Percentage change
	2024 RMB'000	2023 RMB'000	
Revenue from contracts with customers	367,385	345,035	6.5%
Gross profit	169,368	163,613	3.5%
Profit before taxation	130,003	126,728	2.6%
Profit for the year	97,539	85,838	13.6%
Gross profit margin (%)	46.1%	47.4%	-2.7%
Net profit margin (%)	26.5%	24.9%	6.7%
<b>Earnings per share for profit attributable to the owners of the Company</b>			
(expressed in RMB per share):			
– Basic and diluted earnings per share	0.096	0.085	12.9%
Proposed final dividend per ordinary share	<u>HK4.50 cents</u>	<u>HK4.30 cents</u>	<u>4.7%</u>

The board (the “**Board**”) of directors (the “**Director(s)**”) of Clifford Modern Living Holdings Limited (祈福生活服務控股有限公司) (the “**Company**”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2024 together with the comparative figures for the year ended 31 December 2023:

## **CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*For the year ended 31 December 2024*

		<b>2024</b>	2023
	<i>Notes</i>	<b><i>RMB'000</i></b>	<i>RMB'000</i>
<b>Revenue</b>	4	<b>367,385</b>	345,035
Cost of sales		<u>(198,017)</u>	<u>(181,422)</u>
<b>Gross profit</b>		<b>169,368</b>	163,613
Other income and gains, net	4	<b>21,136</b>	18,209
Selling and marketing expenses		<b>(36,194)</b>	(34,990)
Administrative expenses		<b>(22,335)</b>	(23,187)
Reversal of impairment loss on trade and other receivables, net		<b>349</b>	5,396
Finance costs	5	<u><b>(2,321)</b></u>	<u>(2,313)</u>
<b>Profit before taxation</b>		<b>130,003</b>	126,728
Income tax expense	6	<u><b>(32,464)</b></u>	<u>(40,890)</u>
<b>Profit and total comprehensive income for the year attributable to owners of the Company</b>		<u><b>97,539</b></u>	<u>85,838</u>
<b>Earnings per share for profit attributable to the owners of the Company</b> (expressed in RMB per share):			
– Basic and diluted	7	<u><b>0.096</b></u>	<u>0.085</u>

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*As at 31 December 2024*

		<b>2024</b>	<b>2023</b>
	<i>Notes</i>	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Property, plant and equipment		<b>5,995</b>	7,987
Investment properties		<b>17,362</b>	13,242
Right-of-use assets		<b>18,969</b>	28,118
Intangible assets		<b>1,049</b>	886
Investment in unallocated silver bullion		<b>141,290</b>	50,504
Other receivables	8	<b>6,614</b>	5,123
Term deposit		<b>80,000</b>	–
Deferred tax assets		<b>1,115</b>	1,602
		<b>272,394</b>	107,462
<b>Current assets</b>			
Inventories		<b>9,714</b>	10,339
Trade and other receivables	8	<b>35,216</b>	37,459
Contract assets		<b>4,637</b>	5,726
Term deposits		–	120,000
Restricted cash		<b>647</b>	646
Cash and cash equivalents		<b>282,912</b>	591,144
		<b>333,126</b>	765,314
<b>Current liabilities</b>			
Trade and other payables	9	<b>73,780</b>	75,914
Contract liabilities		<b>19,826</b>	24,289
Lease liabilities		<b>13,763</b>	10,900
Tax payables		<b>8,968</b>	10,103
		<b>116,337</b>	121,206
<b>Net current assets</b>		<b>216,789</b>	644,108
<b>Total assets less current liabilities</b>		<b>489,183</b>	751,570

		2024	2023
	<i>Notes</i>	<b><i>RMB'000</i></b>	<i>RMB'000</i>
<b>Non-current liabilities</b>			
Lease liabilities		<b>31,377</b>	38,902
Deferred tax liabilities		<b>4,696</b>	11,434
		<b>36,073</b>	50,336
<b>Net assets</b>		<b>453,110</b>	701,234
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	10	<b>8,876</b>	8,876
Share premium	10	<b>179,333</b>	179,333
Other reserves		<b>(99,969)</b>	(99,151)
Retained earnings		<b>364,870</b>	612,176
<b>Total equity</b>		<b>453,110</b>	701,234

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2024*

## 1. GENERAL INFORMATION

Clifford Modern Living Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 6 January 2016 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of the Company’s registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is located at 7th Floor, Chai Wan Industrial City, Phase II, 70 Wing Tai Road, Chai Wan, Hong Kong.

The Company’s shares were listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 8 November 2016 (the “**Listing**”). In the opinion of the directors of the Company, the ultimate holding company of the Group is Elland Holding Limited, a company incorporated in the British Virgin Islands which is wholly owned by Ms. Man Lai Hung (“**Ms. Man**”).

The Company is an investment holding company. The Company and its subsidiaries (hereinafter collectively referred to as the “**Group**”) are primarily engaged in the provision of services to residents in properties developed under the brand name of Clifford, including retail services, catering services, property management services, laundry services, off-campus training services, property agency services, employment placement services, information technology services, etc, in the mainland of People’s Republic of China (the “**PRC Mainland**”).

The consolidated financial statements are presented in Renminbi (“**RMB**”), unless otherwise stated, which is the same as the functional currencies of the Company and its subsidiaries. All values are rounded to the nearest thousand except when otherwise indicated.

## 2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”), which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“**HKASs**”) and interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). The consolidated financial statements also comply with applicable disclosure requirements of the Hong Kong Companies Ordinance and Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”).

The consolidated financial statements have been prepared on the historical cost basis except for the investment in unallocated silver bullion and certain financial instruments which have been measured at fair value at the end of the reporting period, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared on the basis consistent with the accounting policies adopted in the consolidated financial statements for the year ended 31 December 2023 except for the adoption of certain revised HKFRSs that are relevant to the Group and effective from the current period as set out in note (a).

Certain comparative figures have been reclassified to conform with the current year’s presentation.

It should be noted that accounting estimates and assumptions have been used in preparation of the consolidated financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are set out in Note 4 "Significant accounting judgements and estimates".

**(a) Amended standards adopted by the Group**

In the current year, the Group has adopted, for the first time, the following revised HKFRSs issued by the HKICPA, which are relevant and mandatorily effective for the accounting period beginning on 1 January 2024 for the preparation of the Group's consolidated financial statements:

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 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

None of these amendments have had a material effect on how the Group's financial performance and financial position for the current or prior years and/or on the disclosures set out in these consolidated financial statements.

**(b) New and amendments to HKFRSs not yet effective for the financial year beginning on 1 January 2024 and not early adopted by the Group**

The Group has not early adopted any of the following new and amendments to HKFRSs, which have been issued but are not yet effective, in these consolidated financial statements:

		Effective for annual reporting periods beginning on or after
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined
Amendments to HKAS 21	Lack of Exchangeability	1 January 2025
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027

The Group has already commenced an assessment of the related impact of adopting the above revised standards, interpretation and amendments to HKFRSs. According to the preliminary assessment made by the directors of the Company, except for the new HKFRSs mentioned below, no significant impact on the financial performance and position of the Group is expected when they become effective.

### ***HKFRS 18 Presentation and Disclosure in Financial Statements***

HKFRS 18, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements. Whilst many of the requirements will remain consistent, the new standard introduces new requirements to present specified categories and defined subtotals in the consolidated statement of profit or loss and other comprehensive income; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the primary financial statements and the notes. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the consolidated statement of profit or loss and other comprehensive income and disclosures in the future financial statements. The Group is currently assessing the impact that HKFRS 18 will have on the Group's consolidated financial statements.

## **3. SEGMENT INFORMATION**

Information reported to the executive directors of the Company, who are the chief operating decision makers (“**CODM**”) of the Group, was specifically focused on the segments of retail services, information technology services, property management services, off-campus training services, property agency services, catering services and other services for the purpose of resource allocation and performance assessment. These divisions are the basis on which the Group reports its segment information under HKFRS 8 “Operating Segments”.

The CODM considers business from a product and service perspective and has identified the following seven operating segments:

- Retail services, which includes sales of goods, concessionaire services and sub-leasing services;
- Information technology services, which includes engineering work, engineering maintenance and telecommunication services;
- Property management services, which include property management services, resident support services, household cleaning services and sub-leasing services;
- Off-campus services, which include training programmes of interest classes and language classes and sub-leasing services;

- Property agency services, which include real estate agency services, rental agency services and after-rental services;
- Catering services, which include catering services to schools and catering consultancy services; and
- Others, which include laundry services and employment placement services etc.

The CODM evaluates the performance of the operating segments based on segment revenue and results and segment assets and liabilities. Segment results exclude other income and gains, net, finance costs, central administration expenses, income tax expense. Segment assets exclude investment in unallocated silver bullion, term deposits, restricted cash, cash and cash equivalents and deferred tax assets and segment liabilities exclude deferred tax liabilities as these items are centrally driven by the Group.

With the continuous downsizing of renovation and fitting-out services, the CODM integrated these services into property management services. As a result, the Group merged “Renovation and Fitting-out Services” into “Property Management Services” as a single reportable segment. And certain comparative figures in the segment information for the year ended 31 December 2023 has been revised on a consistent basis.



## Segment revenue and results

The segment revenue and results and the reconciliation with profit for the year are as follows:

For the year ended 31 December 2024

	Retail services <i>RMB'000</i>	Information technology services <i>RMB'000</i>	Property management services <i>RMB'000</i>	Off-campus training services <i>RMB'000</i>	Property agency services <i>RMB'000</i>	Catering services <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
Gross segment revenue	139,608	18,886	89,620	37,467	5,318	65,342	16,629	372,870
Inter-segment revenue	(193)	(682)	(2,866)	(944)	-	(800)	-	(5,485)
<b>Revenue</b>	<b>139,415</b>	<b>18,204</b>	<b>86,754</b>	<b>36,523</b>	<b>5,318</b>	<b>64,542</b>	<b>16,629</b>	<b>367,385</b>
Timing of revenue recognition								
At a point in time	108,057	592	-	-	5,127	63,410	16,590	193,776
Over time	31,358	17,612	86,754	36,523	191	1,132	39	173,609
	<b>139,415</b>	<b>18,204</b>	<b>86,754</b>	<b>36,523</b>	<b>5,318</b>	<b>64,542</b>	<b>16,629</b>	<b>367,385</b>
<b>Segment results</b>	<b>22,767</b>	<b>6,353</b>	<b>64,216</b>	<b>19,857</b>	<b>1,606</b>	<b>875</b>	<b>5,143</b>	<b>120,817</b>
Other income and gains, net								21,136
Finance costs								(2,321)
Unallocated expenses								(9,629)
Income tax expense								(32,464)
<b>Profit for the year</b>								<b>97,539</b>
<b>Segment results include:</b>								
Depreciation and amortisation	(8,422)	(424)	(1,855)	(1,952)	(316)	(1,169)	(117)	(14,255)
Loss on disposal of property, plant and equipment, net	-	(98)	-	(2)	-	-	(59)	(159)
(Provision for)/reversal of impairment loss on trade and other receivables	(481)	505	(5)	-	(4)	4	330	349

For the year ended 31 December 2023

	Retail services <i>RMB'000</i>	Information technology services <i>RMB'000</i>	Property management services <i>RMB'000</i>	Off-campus training services <i>RMB'000</i>	Property agency services <i>RMB'000</i>	Catering services <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
Gross segment revenue	130,456	16,454	87,954	31,806	6,704	62,235	15,206	350,815
Inter-segment revenue	(194)	(722)	(3,599)	(681)	–	(584)	–	(5,780)
<b>Revenue</b>	<u>130,262</u>	<u>15,732</u>	<u>84,355</u>	<u>31,125</u>	<u>6,704</u>	<u>61,651</u>	<u>15,206</u>	<u>345,035</u>
Timing of revenue recognition								
At a point in time	101,511	605	–	–	6,526	60,519	14,939	184,100
Over time	<u>28,751</u>	<u>15,127</u>	<u>84,355</u>	<u>31,125</u>	<u>178</u>	<u>1,132</u>	<u>267</u>	<u>160,935</u>
	<u>130,262</u>	<u>15,732</u>	<u>84,355</u>	<u>31,125</u>	<u>6,704</u>	<u>61,651</u>	<u>15,206</u>	<u>345,035</u>
<b>Segment results</b>	<u>17,018</u>	<u>8,825</u>	<u>62,428</u>	<u>14,845</u>	<u>2,275</u>	<u>10,816</u>	<u>4,270</u>	<u>120,477</u>
Other income and gains, net								18,209
Finance costs								(2,313)
Unallocated expenses								(9,645)
Income tax expense								<u>(40,890)</u>
<b>Profit for the year</b>								<u>85,838</u>
<b>Segment results include:</b>								
Depreciation and amortisation	(9,249)	(711)	(2,674)	(4,173)	(507)	(1,098)	(212)	(18,624)
Loss on disposal of property, plant and equipment, net	(8)	(4)	(22)	82	–	–	(366)	(318)
(Provision for)/reversal of impairment loss on trade and other receivables	<u>(146)</u>	<u>4,486</u>	<u>160</u>	<u>–</u>	<u>(1)</u>	<u>456</u>	<u>441</u>	<u>5,396</u>

The segment assets and liabilities and the reconciliation with total assets and liabilities of the Group are as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<b>Segment assets</b>		
Retail services	41,146	50,273
Information technology services	13,267	22,969
Off-campus training services	13,516	14,127
Property management services	16,816	5,781
Property agency services	338	558
Catering services	12,647	12,694
Others	1,826	2,478
<b>Total segment assets</b>	99,556	108,880
Investment in unallocated silver bullion	141,290	50,504
Term deposits	80,000	120,000
Restricted cash	647	646
Cash and cash equivalents	282,912	591,144
Deferred tax assets	1,115	1,602
<b>Total assets</b>	605,520	872,776
<b>Segment liabilities</b>		
Retail services	52,236	60,555
Information technology services	11,315	14,743
Off-campus training services	25,876	27,689
Property management services	28,948	25,736
Property agency services	573	872
Catering services	24,061	25,345
Others	4,705	5,168
<b>Total segment liabilities</b>	147,714	160,108
Deferred tax liabilities	4,696	11,434
<b>Total liabilities</b>	152,410	171,542

These assets and liabilities are allocated based on the operations of the segment and the physical location of the assets and liabilities.

As at 31 December 2024, more than 75% (2023: more than 90%) and more than 20% (2023: more than 1%) of the Group's non-current assets other than financial assets, investment in unallocated silver bullion and deferred tax assets are situated in the PRC Mainland and in Hong Kong, respectively.

During the year ended 31 December 2024, more than 90% (2023: more than 90%) of the Group's revenue were derived from activities carried out and from customers located in the PRC Mainland and no geographical segment analysis is prepared.

#### 4. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of revenue and other income and gains, net is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<i>Revenue from contracts with customers within the scope of HKFRS 15, analysed by types of goods or services:</i>		
Sales of goods	118,727	101,253
Engineering work income	10,378	19,480
Property management services	62,934	67,681
Off-campus training services	31,907	26,273
Property agency services	5,156	6,527
Resident support services income	18,012	13,977
Catering service income	64,542	61,652
Household cleaning income	4,666	3,873
Laundry services	1,335	2,097
Concessionaire services income	8,367	6,851
Employment placement services	13,830	11,251
Engineering maintenance income	3,904	1,429
Telecommunication service income	3,922	2,319
Procurement service fee	1,445	1,746
After-rental service income from property agency services	162	176
Others	19	665
	<b>349,306</b>	327,250
<i>Revenue from other sources:</i>		
Sub-leasing income	18,079	17,785
	<b>367,385</b>	345,035

	2024 RMB'000	2023 RMB'000
<b>Other income and gains, net</b>		
– Interest income on cash and cash equivalents	6,881	9,634
– Interest income on term deposits	3,325	2,935
– Interest income on long term receivables	396	205
– Gain on derecognition of right-of-use assets and investment properties upon entering into finance lease as lessor	1,404	2,288
– Loss on early termination of financial lease and entering into an investment property as lessor	–	(1,051)
– Loss on derecognition of investment properties due to termination of lease	(799)	(3)
– Loss on modification of financial lease	–	(230)
– (Loss)/gain on foreign exchanges, net	(6,986)	1,782
– Government grants ( <i>Note</i> )	93	526
– Loss on disposal of property, plant and equipment, net	(159)	(318)
– Loss on disposal of intangible assets	(29)	(78)
– Gain on early termination of leases	1,724	181
– Gain on modification of leases	201	–
– Gain on disposal of a subsidiary	158	–
– Fair value gain on investment in unallocated silver bullion	12,929	375
– Compensations from tenants	967	688
– Others	1,031	1,275
	<u>21,136</u>	<u>18,209</u>

*Note:* Government grants represented the subsidies received from the local government in support of the business operation. There was no condition to be fulfilled by the Group in relation to the subsidies.

## 5. FINANCE COSTS

	2024 RMB'000	2023 RMB'000
Interest expenses on lease liabilities	<u>2,321</u>	<u>2,313</u>

## 6. INCOME TAX EXPENSE

	2024 RMB'000	2023 RMB'000
Current income tax:		
– PRC Mainland corporate income tax	26,686	27,637
– PRC Mainland withholding income tax	11,987	10,350
– Hong Kong Profits Tax	6	8
– Under-provision in prior years	36	108
	<u>38,715</u>	<u>38,103</u>
Deferred tax:		
– PRC Mainland corporate income tax	599	(13)
– PRC Mainland withholding income tax	(6,850)	2,800
	<u>(6,251)</u>	<u>2,787</u>
Total deferred tax	<u>(6,251)</u>	<u>2,787</u>
Income tax expense	<u><u>32,464</u></u>	<u><u>40,890</u></u>

### PRC Mainland corporate income tax

The income tax provision of the Group in respect of operations in the PRC Mainland 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 applicable to the Group entities located in the PRC Mainland (“**PRC Mainland entities**”) is 25% according to the Corporate Income Tax Law of the PRC Mainland effective on 1 January 2008. A subsidiary of the Company obtained the Certificate of “High and New Technology Enterprise” (the “**Certificate**”) with valid period up to 2026, under which, the subsidiary enjoys a preferential corporate income rate of 15%.

Certain subsidiaries of the Group are qualified as the qualifying small enterprises according to the relevant tax law and regulation in the PRC Mainland effective from 1 January 2018. When their assessable profit falls under RMB1,000,000, they will be qualified for a reduced 5% effective tax rate, whereas those assessable profit falls under RMB3,000,000 but above RMB1,000,000, they will be qualified for a reduced 5% effective tax rate from 1 January 2023 to 31 December 2024.

### PRC Mainland withholding income tax

PRC Mainland withholding income tax of 10% shall be levied on the dividends declared by PRC Mainland entities to their foreign investors out of their profits earned after 1 January 2008. A lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC Mainland subsidiaries are incorporated or operated in Hong Kong and fulfil the requirement to the tax treaty arrangement between the PRC Mainland and Hong Kong.

During the year, a provision of deferred tax for the earnings of certain profitable PRC Mainland entities which plan to distribute to the respective overseas immediate holding companies has been made at withholding income tax rate of 5% (2023: 5%).

### **Hong Kong Profits Tax**

Under the two-tiered profits tax rates regime in Hong Kong, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% (2023: 16.5%) of the estimated assessable profit for the year.

### **Overseas Corporate Income Tax**

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap 22 of Cayman Islands and is exempted from Cayman Islands income tax. British Virgin Islands subsidiaries were incorporated under the International Business Companies Act of the British Virgin Islands and are exempted from British Virgin Islands income tax.

## **7. 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 in issue during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has no dilutive potential ordinary shares for the year ended 31 December 2024 (2023: nil).

	2024	2023
Profit attributable to the owners of the Company (RMB)	<u>97,539,000</u>	<u>85,838,000</u>
Weighted average number of ordinary shares in issue	<u>1,015,750,000</u>	<u>1,015,750,000</u>
Weighted average number of ordinary shares for diluted earnings per share	<u>1,015,750,000</u>	<u>1,015,750,000</u>
Basic and diluted earnings per share for profit attributable to the owners of the Company (expressed in RMB per share)	<u><u>0.096</u></u>	<u><u>0.085</u></u>

## 8. TRADE AND OTHER RECEIVABLES

	2024 RMB'000	2023 RMB'000
Trade receivables ( <i>Note</i> ):		
– Related parties	5,681	10,518
– Third parties	<u>19,825</u>	<u>20,640</u>
Total trade receivables	25,506	31,158
Less: allowance for impairment of trade receivables	<u>(8,939)</u>	<u>(9,451)</u>
	<u>16,567</u>	<u>21,707</u>
Amounts placed in Residents' Accounts	<u>1,387</u>	<u>849</u>
Other receivables:		
– Related parties	4,077	3,405
– Third parties	<u>18,713</u>	<u>15,549</u>
	<u>22,790</u>	<u>18,954</u>
Less: allowance for impairment of other receivables	<u>(694)</u>	<u>(531)</u>
	<u>22,096</u>	<u>18,423</u>
Prepayments		
– Third parties	<u>1,780</u>	<u>1,603</u>
Total trade and other receivables	<u><u>41,830</u></u>	<u><u>42,582</u></u>
Analysed into:		
– Non-current	6,614	5,123
– Current	<u>35,216</u>	<u>37,459</u>
	<u><u>41,830</u></u>	<u><u>42,582</u></u>



*Note:*

Trade receivables due from third parties mainly represented the receivables arising from provision of information technology services, the receivables of outstanding property management fee charged on commission basis and receivables of concessionaire services under retail services.

As at 31 December 2024, the credit period granted to trade customers of information technology services varies from one month to one year (2023: one month to one year); the trading of retail services, catering services, off-campus training services and employment placement services are mainly carried out on cash basis (2023: cash basis).

As at 31 December 2024, the ageing analysis of the trade receivables, net of impairment based on invoice date are as follows:

	<b>2024</b> <b>RMB'000</b>	2023 <i>RMB'000</i>
Up to 1 year	<b>15,197</b>	17,711
1 to 2 years	<b>393</b>	2,961
Over 2 years	<b>977</b>	1,035
	<u><b>16,567</b></u>	<u>21,707</u>

## 9. TRADE AND OTHER PAYABLES

	<b>2024</b> <b>RMB'000</b>	2023 <i>RMB'000</i>
Trade payables ( <i>Note</i> ):		
– Related parties	<b>443</b>	1,644
– Third parties	<b>35,550</b>	29,904
	<u><b>35,993</b></u>	<u>31,548</u>
Other payables:		
– Related parties	<b>4,815</b>	4,934
– Third parties	<b>23,917</b>	30,845
	<u><b>28,732</b></u>	<u>35,779</u>
Accrued payroll	<b>8,759</b>	8,200
Other taxes payables	<b>296</b>	387
	<u><b>73,780</b></u>	<u>75,914</u>

*Note:* As at 31 December 2024 and 2023, the ageing analysis of the trade payables (including amounts due to related parties of trading in nature) based on invoice date is as follows:

	<b>2024</b> <b>RMB'000</b>	2023 <i>RMB'000</i>
Up to 1 year	<b>33,378</b>	26,650
1 to 2 years	<b>1,534</b>	4,478
2 to 3 years	<b>944</b>	217
Over 3 years	<u><b>137</b></u>	<u>203</u>
	<u><b>35,993</b></u>	<u>31,548</u>

## 10. SHARE CAPITAL AND SHARE PREMIUM

Details of the share capital of the Company are as follows:

	Number of ordinary shares	Par value	Share capital	Share premium	Total
	<i>Shares</i>	<i>HK\$</i>	Translated to <i>HK\$      RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>Authorised:</b>					
As at 31 December 2023 and 2024	<u>10,000,000,000</u>	<u>0.01</u>	<u>100,000,000</u>	<u>87,440</u>	
<b>Issued and fully paid:</b>					
As at 1 January 2023,					
31 December 2023 and					
31 December 2024	<u><u>1,015,750,000</u></u>	<u><u>0.01</u></u>	<u><u>10,157,500</u></u>	<u><u>8,876</u></u>	<u><u>179,333</u></u>
					<u><u>188,209</u></u>

## 11. DIVIDENDS

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
(a) Dividend attributable to previous financial year approved and paid during the year:		
Final dividend of HK2.50 cents for the year ended 31 December 2022 per share, equivalent to HK\$25,394,000	–	23,201
Final dividend of HK4.30 cents for the year ended 31 December 2023 per share, equivalent to HK\$43,677,000	39,847	–
Special dividend of HK33.20 cents for the year ended 31 December 2023 per share, equivalent to HK\$337,229,000	<u>305,816</u>	<u>–</u>
	<u><b>345,663</b></u>	<u><b>23,201</b></u>
(b) Dividend attributable to the year declared but not yet approved at the reporting date <sup>#</sup> :		
Final dividend of HK4.30 cents for the year ended 31 December 2023 per share, equivalent to HK\$43,677,000	–	39,292
Final dividend of HK4.50 cents for the year ended 31 December 2024 per share, equivalent to HK\$45,709,000	<u>41,712</u>	<u>–</u>
	<u><b>41,712</b></u>	<u><b>39,292</b></u>
<sup>#</sup> The final dividend proposed after the reporting date was not recognised as a liability at the reporting date. In addition, the final dividend is subject to the approval of the shareholders of the Company at the forthcoming annual general meeting. The amount is translated into RMB at average exchange rate for the year ended 31 December 2024.		

## CHAIRMAN’S STATEMENT

On behalf of the Board, I am pleased to present the audited consolidated financial statements of the Group for the year ended 31 December 2024.

We are a renowned service provider with a diversified service portfolio comprising five main service segments: property management services, retail services, off-campus training services, information technology services and ancillary living services in Guangdong Province (the Group offers catering services, property agency services, employment placement services and laundry services, collectively “**Ancillary Living Services**”).

## FINANCIAL HIGHLIGHTS

For the year ended 31 December 2024, the Group achieved revenue of approximately RMB367.4 million, representing a year-on-year increase of 6.5%. Profit during the year under review increased to approximately RMB97.5 million, representing a year-on-year increase of approximately RMB11.7 million or 13.6%.

During the year under review, gross profit margin decreased from 47.4% to 46.1%. Net profit margin increased from 24.9% to 26.5%, representing a year-on-year increase of about 6.7%.

## PROPOSED FINAL DIVIDEND

Based on the financial performance in 2024 and the revised dividend policy of the Company which took effect from 27 March 2024, the Board recommended the payment of a final dividend (the “**2024 Final Dividend**”) of HK4.50 cents per ordinary share (the “**Share(s)**”) for the year ended 31 December 2024 (2023: final dividend of HK4.30 cents per Share).

## DECLARATION OF SPECIAL DIVIDEND

As disclosed in the announcement of the Company dated 25 February 2025, in light of the solid financial performance of the Group since being listed on the Main Board on 8 November 2016, and having considered the cashflow, financial position and business plans of the Company, the Board has approved and declared a special dividend of HK11.2 cents per Share, amounting to a total dividend payment of approximately HK\$113.8 million (equivalent to approximately RMB104.9 million), which will be paid on or around Monday, 31 March 2025 to the shareholders of the Company (the “**Shareholder(s)**”) whose names appear on the register of members of the Company on Tuesday, 18 March 2025.

For details of the special dividend, please refer to the Company’s announcement dated 25 February 2025.

## **BUSINESS HIGHLIGHTS**

In 2024, the People's Republic of China (the “**PRC Mainland**”) economy continued to navigate a complex landscape characterised by slow consumption momentum, ongoing property market adjustments, and global macroeconomic headwinds. Despite these challenges, the Group maintained a disciplined focus on cost optimisation and operational excellence. These efforts enabled the Group to deliver stable performance while reinforcing its competitive positioning in a constrained market environment.

## **OUTLOOK FOR 2025**

Looking ahead to 2025, the economy of the PRC Mainland is expected to continue to stabilise, driven by ongoing policies that support economic recovery. Nevertheless, challenges and uncertainties remain, including geopolitical tensions and a slow global economic landscape. In view of these circumstances, we will adopt a vigilant stance in overseeing the Group's expenditures, look for new investment opportunities to cope with the existing market environment and continuously reassess the business strategy. In the long run, we will persist in executing a diversified business development strategy, prioritising the ongoing growth and expansion of our operations. The steady development of our diverse service segment will provide fresh momentum for the Group's future business growth.

## **ACKNOWLEDGEMENTS**

On behalf of the Board, I would like to extend my sincere gratitude to the Shareholders and business partners of the Company for their constant support for the Group. Going forward, the Group will continue to actively expand its business and upgrade its services. We will strive to bring superior and diversified services to the residents and customers, and create value for Shareholders.

**MAN Lai Hung**

*Chairman, Chief Executive Officer and Executive Director*

Hong Kong, 28 March 2025

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

The Group is a service provider with a diversified service portfolio comprising five main service segments: property management services, retail services, off-campus training services, information technology services and Ancillary Living Services.

#### 1. Property Management Services

The Group provided property management services to 16 (as at 31 December 2023: 16) residential communities and 5 (as at 31 December 2023: 5) pure commercial properties or projects with an aggregate contracted gross floor area (“GFA”) of approximately 9,875,000 sq.m. as at 31 December 2024 (as at 31 December 2023: 9,875,000 sq.m.).

The table below sets forth the total contracted GFA and the number of residential communities and pure commercial properties or projects managed by the Group in different regions in the PRC Mainland as at the dates indicated below:

	As at 31 December			
	2024		2023	
	Approximate total contracted GFA (’000 sq.m.)	Number of communities/ properties or projects	Approximate total contracted GFA (’000 sq.m.)	Number of communities/ properties or projects
<b><i>Residential communities</i></b>				
Panyu district	4,671	6	4,671	6
Huadu district	1,208	7	1,208	7
Zhaoqing city	346	1	346	1
Foshan city	857	2	857	2
<b>Subtotal</b>	<b>7,082</b>	<b>16</b>	<b>7,082</b>	<b>16</b>
<b><i>Pure commercial properties/ projects</i></b>				
Huadu district	2,662	3	2,662	3
Panyu district	131	2	131	2
<b>Subtotal</b>	<b>2,793</b>	<b>5</b>	<b>2,793</b>	<b>5</b>
<b>Total</b>	<b>9,875</b>	<b>21</b>	<b>9,875</b>	<b>21</b>

## 2. Retail Services

In the second half of 2024, the Group launched fresh food procurement services to commercial clients within the contracted GFA and adjacent region. This strategic expansion aims to strengthen the Group's procurement infrastructure, establish collaboration with local enterprises and create integrated value across its supply chain network.

The Group operated 22 retail outlets (three supermarkets, one wet market and 18 convenience stores) of different sizes covering a total GFA of approximately 14,067 sq.m. as at 31 December 2024 (as at 31 December 2023: 21 retail outlets covering a total GFA of approximately 13,809 sq.m.).

The following table sets out the average daily revenue by type of retail outlet in operation during the years ended 31 December 2024 and 2023 respectively:

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2024</b>	<b>2023</b>
	<b>(RMB'000)</b>	<b>(RMB'000)</b>
<b><i>Average daily revenue by type of retail outlet</i></b> <sup>(Note)</sup>		
Supermarket	<b>208.7</b>	208.8
Wet market	<b>46.5</b>	38.0
Convenience store	<b>132.1</b>	115.1

*Note:* Average daily revenue by type of retail outlet is calculated by dividing revenue by type of retail outlet for the year by 360 days.

## 3. Off-campus Training Services

The Group had four learning centres in Panyu district as at 31 December 2024 (as at 31 December 2023: four learning centres). Off-campus training services mainly include offering of language learning classes and various interest classes.

#### **4. Information Technology Services**

##### ***Engineering services***

The Group provides information technology services, related engineering services, security systems services and hardware and software integration services, most of which are delivered on project basis.

##### ***Telecommunication services***

The Group entered into contracts with major telecommunication service providers under which the Group acts as an agent for their products and services.

#### **5. Ancillary Living Services**

##### ***Catering services***

The Group provides catering consultancy services and receives a fixed monthly consultancy fee. The Group also provides catering services in the local area.

##### ***Property agency services***

The property agency industry remains closely linked to the real estate market. With the PRC Mainland government stabilizing the sector, the Group anticipates that the demand for property agency services will gradually resume in the near future.

##### ***Employment placement services***

The Group constantly monitors the performance and service quality of relevant household helpers and despatched workers.

##### ***Laundry services***

The Group provides safe and quality laundry services by providing continuous training to its staff.



## **PROSPECTS AND FUTURE PLANS**

### **Property Management**

#### ***Further increase in the total contracted GFA and the number of residential and pure commercial units managed by the Group***

The Group plans to further expand its business and increase the market share in the industry by expanding the total contracted GFA and the number of residential communities and pure commercial properties managed by the Group.

We believe that by increasing the total contracted GFA and the number of residential communities, the Group will be able to increase the revenue for the property management services. In addition, we expect that a growing number of residents and property owners will use the Group's retail services and Ancillary Living Services.

Since the first quarter of 2025, the Group started to provide property management services to companies which were/are under the control of (or 30% or more of the issued share capital of which are owned by) Ms. MAN Lai Hung, which are principally engaged in the provision of hospital/clinical, elderly and postpartum care services, healthcare and related services in the PRC Mainland. The contract covers a total contracted GFA of 250,000 sq.m.. The collaboration is anticipated to strengthen the Group's portfolio and support its long-term strategy of expanding services offerings in the healthcare sector.

#### ***Further expansion of the property management network through engagements in integrated projects***

The Group plans to expand its business by managing integrated projects which include apartments, shopping malls and office buildings developed by third parties in Guangdong Province. The Group will be providing property management services, property agency services and marketing consultancy services.

### ***Accelerating business growth through acquisitions of property management companies***

The Group intends to accelerate the growth of the property management business by acquiring suitable property management companies to achieve the business strategies of standardisation and centralisation.

### ***Developing online marketing and building online distribution channels***

The Group intends to promote various services by reaching customers through different online channels including websites and apps on smartphones. The Group has upgraded the sales and accounting systems so as to enhance the data collection process, which in turn enables the customer service team to respond more quickly to customers' needs.

### ***Catering services***

The Group ceased to provide catering services to schools in the first quarter of 2025. This decision was made due to a continuous decline in profitability influenced by evolving market dynamics. However, the Group continues to offer catering services in the local area. The decision aligns with efforts to optimise operational efficiency, adapt to shifting conditions and focus on core business areas to ensure sustainable growth and financial resilience while maintaining stable financial performance.

### ***Further exploration of new investment opportunities***

The Group will remain prudent in monitoring its expenditures, look for new investment opportunities to cope with the existing market environment and constantly review our business strategies.

## FINANCIAL REVIEW

### Revenue

	For the year ended				Percentage of	
	31 December		Variance		total revenue	
	2024	2023			2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>%</i>	<i>%</i>	<i>%</i>
Property management services	86,754	84,355	2,399	2.8	23.6	24.4
Retail services	139,415	130,262	9,153	7.0	38.0	37.8
Off-campus training services	36,523	31,125	5,398	17.3	9.9	9.0
Information technology services	18,204	15,732	2,472	15.7	5.0	4.6
Ancillary Living Services	86,489	83,561	2,928	3.5	23.5	24.2
Total	367,385	345,035	22,350	6.5	100.0	100.0

*Note:* The Group has consolidated “Property Management Services” and “Renovation and Fitting-out Services” into a single reportable segment as “Property Management Services.” This change reflects the ongoing downsizing of the renovation and fitting-out services. Certain comparative figures for the year ended 31 December 2023 have been revised for consistency.

Revenue from contracts with customers was derived from property management services, retail services, off-campus training services, information technology services and Ancillary Living Services. For the year ended 31 December 2024, the total revenue was approximately RMB367.4 million, representing an increase of approximately RMB22.4 million or approximately 6.5% as compared to that of approximately RMB345.0 million in the previous year.

### ***Property management services***

	For the year ended		Variance	
	31 December			
	2024	2023		
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>%</i>
<b>Residential property management services</b>	<b>38,239</b>	36,669	1,570	4.3
<b>Commercial property management services</b>	<b>24,613</b>	25,399	(786)	-3.1
<b>Resident support services</b>	<b>23,902</b>	22,287	1,615	7.2
Household helper services	<b>18,166</b>	15,079	3,087	20.5
Household repairs and maintenance services	<u><b>5,736</b></u>	<u>7,208</u>	<u>(1,472)</u>	<u>-20.4</u>
<b>Total</b>	<u><b>86,754</b></u>	<u>84,355</u>	<u>2,399</u>	<u>2.8</u>

During the year ended 31 December 2024, the increase in revenue generated from property management services was approximately RMB2.4 million, or approximately 2.8%, of which the decrease in revenue generated from commercial property management services was approximately RMB0.8 million or approximately 3.1%, the increase in revenue generated from residential property management services was approximately RMB1.6 million or approximately 4.3% and the increase in revenue generated from resident support services was approximately RMB1.6 million or approximately 7.2%.

### ***Retail services***

	For the year ended		Variance	
	31 December			
	2024	2023		
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>%</i>
<b>Revenue by type of retail outlet</b>				
Supermarket	<b>75,140</b>	75,151	(11)	0.0
Wet market	<b>16,724</b>	13,684	3,040	22.2
Convenience store	<u><b>47,551</b></u>	<u>41,427</u>	<u>6,124</u>	<u>14.8</u>
<b>Total</b>	<u><b>139,415</b></u>	<u>130,262</u>	<u>9,153</u>	<u>7.0</u>

During the year ended 31 December 2024, revenue generated from retail services increased by approximately RMB9.2 million, or about 7.0% to RMB139.4 million, of which the revenue generated from supermarkets remained stable at approximately RMB75.1 million, the increase in revenue generated from convenience stores was approximately RMB6.1 million or approximately 14.8% and the increase in revenue generated from wet market was approximately RMB3.0 million or approximately 22.2%. The increase in revenue generated from retail services was primarily driven by the launch of fresh food procurement services in the second half of 2024.

***Off-campus training services***

	For the year ended		Variance	
	31 December			
	2024	2023		
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>%</i>
Total	<u>36,523</u>	<u>31,125</u>	<u>5,398</u>	17.3

During the year ended 31 December 2024, the increase in revenue generated from off-campus training services was approximately RMB5.4 million, or approximately 17.3%. The increase was mainly due to (1) the continued recovery and resumption of customer demand as compared to the corresponding period in 2023 when the COVID-19 pandemic still had a dampening effect on such demand, and (2) the successful launch of new interest classes, which attracted additional enrollments.

***Information technology services***

	For the year ended		Variance	
	31 December			
	2024	2023		
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>%</i>
<b>Information technology services</b>				
<b>revenue by category</b>				
Engineering	11,252	11,003	249	2.3
Telecommunication	<u>6,952</u>	<u>4,729</u>	<u>2,223</u>	47.0
Total	<u>18,204</u>	<u>15,732</u>	<u>2,472</u>	15.7

During the year ended 31 December 2024, the increase in revenue generated from information technology services was approximately RMB2.5 million, or approximately 15.7%, of which the increase in revenue generated from engineering services was approximately RMB0.2 million or approximately 2.3%. The increase in revenue generated from telecommunication services was approximately RMB2.2 million or approximately 47.0%. The Group's implementation of enhanced credit control measures for trade and other receivables in response to the delay in settlement of trade and other receivables from certain customers for information technology services resulted in the decline in revenue generated from information technology services in 2023. Due to the lapse of time, the effect of the enhanced credit control measures started to wear off, and as a result, the revenue from information technology services for the year ended 31 December 2024 slowly recovered.

### ***Ancillary Living Services***

	For the year ended		Variance	
	31 December			
	2024	2023		
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>%</i>
<b>Ancillary Living Services revenue</b>				
<b>by category</b>				
Catering services	<b>64,542</b>	61,651	2,891	4.7
Property agency services	<b>5,318</b>	6,704	(1,386)	-20.7
Employment placement services	<b>15,275</b>	13,045	2,230	17.1
Laundry services	<b>1,354</b>	2,161	(807)	-37.3
Total	<b><u>86,489</u></b>	<b><u>83,561</u></b>	<b><u>2,928</u></b>	<b>3.5</b>

During the year ended 31 December 2024, the increase in revenue generated from Ancillary Living Services was approximately RMB2.9 million, or approximately 3.5%, of which the decrease in revenue generated from property agency services was approximately RMB1.4 million or approximately 20.7%. The decrease in revenue generated from property agency services was mainly due to the decrease in commission income received from sales of new residential units during the year.

## **Gross profit and gross profit margin**

Gross profit increased from approximately RMB163.6 million for the year ended 31 December 2023 to approximately RMB169.4 million for the year ended 31 December 2024, representing an increase of approximately RMB5.8 million or approximately 3.5%. Meanwhile, the Group's gross profit margin decreased from approximately 47.4% for the year ended 31 December 2023 to approximately 46.1% for the year ended 31 December 2024. The increase in gross profit was in line with the increase in revenue during the year.

## **Other income and gains, net**

Other income and gains, net amounted to approximately RMB21.1 million for the year ended 31 December 2024 as compared to approximately RMB18.2 million for the year ended 31 December 2023. Such increase was mainly due to the net effect of two factors: the fair value gain on investment in unallocated silver bullion of approximately RMB12.9 million recorded during the year ended 31 December 2024 as compared to approximately RMB0.4 million for the year ended 31 December 2023; mainly offset by the loss on foreign exchanges, net of RMB7.0 million recorded during the year ended 31 December 2024 (year ended 31 December 2023: gain on foreign exchanges of RMB1.8 million). The Company incurred foreign exchange loss mainly from the conversion of Renminbi (“**RMB**”) to Hong Kong dollars (“**HKD**”) in order to facilitate the payment of the special dividend.

## **Selling and marketing expenses**

Selling and marketing expenses primarily consisted of employee benefit expenses for selling and marketing staff, depreciation and amortisation charges, short term lease expenses and management fees and utility expenses. Selling and marketing expenses increased from approximately RMB35.0 million for the year ended 31 December 2023 to approximately RMB36.2 million for the year ended 31 December 2024, representing an increase of approximately RMB1.2 million or approximately 3.9%. As a substantial part of selling and marketing expenses was incurred from the retail services, the increase in selling and marketing expenses was due to the increase in marketing activities in the retail services.

## **Administrative expenses**

Administrative expenses principally comprised employee benefit expenses, professional fees and office related expenses for administrative departments. Administrative expenses decreased from RMB23.2 million for the year ended 31 December 2023 to RMB22.3 million for the year ended 31 December 2024, representing a decrease of 3.7%. The decrease was mainly due to the fact that the Group strengthened its cost control during the year.

**Finance costs**

Finance costs amounted to approximately RMB2.3 million and approximately RMB2.3 million for the years ended 31 December 2024 and 2023 respectively, representing the interest expenses on lease liabilities.

**Income tax expenses**

The weighted average applicable tax rate was 25.0% and 32.3% for the years ended 31 December 2024 and 2023 respectively. The decrease in weighted average applicable tax rate for the year ended 31 December 2024 was mainly due to the decrease in withholding tax in the PRC Mainland recorded during the year.

**Profit for the year**

For the year ended 31 December 2024, as a result of the cumulative effect of the above factors, the Group's net profit for the year was RMB97.5 million and its net profit margin was 26.5%.

**Property, plant and equipment**

Property, plant and equipment mainly consisted of the machinery, vehicles, office equipment and leasehold improvements. As at 31 December 2024 and 2023, the net book values of property, plant and equipment of the Group were RMB6.0 million and RMB8.0 million respectively.

**Investment properties**

Investment properties amounted to RMB17.4 million as at 31 December 2024, which comprised principally right-of-use assets, which are held for long-term rental yields, not occupied by the Group and recognised due to operating leases.



## **Investment in unallocated silver bullion**

The Group, utilising its internal resources, purchased a total of 800,000 ounces of unallocated silver bullion through Standard Chartered Bank (Hong Kong) Limited, a licensed bank in Hong Kong, during the year ended 31 December 2020 with the total consideration of approximately RMB102.5 million. On 22 February, 3 March and 7 March 2022 (up to 4:30 p.m.), the Group disposed of a total of 200,000, 100,000 and 200,000 ounces of unallocated silver bullion respectively through Standard Chartered Bank (Hong Kong) Limited, with gross proceeds (excluding transaction cost) of approximately RMB30,371,000, RMB15,838,000 and RMB32,842,000 respectively. On 25 July, 29 July and 6 August 2024, the Group purchased 264,000, 96,000 and 20,000 ounces of unallocated silver bullion through Standard Chartered Bank (Hong Kong) Limited, with an aggregate consideration of approximately RMB77.9 million. As at 31 December 2024, the balance of unallocated silver bullion held by the Group was 680,000 ounces with an estimated fair value of approximately RMB141.3 million. The Group recorded a gain in fair value of approximately RMB12.9 million during the year ended 31 December 2024 (for the year ended 31 December 2023: gain in fair value of approximately RMB0.4 million). The investment in unallocated silver bullion is considered as the diversification of the Group's asset structure. For further details, please refer to the announcements of the Company dated 26 February 2020, 28 February 2020, 22 February 2022, 7 March 2022, 9 March 2022, 25 July 2024 and 29 July 2024 respectively.

## **Inventories**

As at 31 December 2024, inventories mainly consisted of merchandise goods for retail services and raw materials for information technology services. Inventories decreased from approximately RMB10.3 million as at 31 December 2023 to approximately RMB9.7 million as at 31 December 2024.

Inventory turnover days was 18 days and 28 days during the years ended 31 December 2024 and 2023 respectively.

## **Trade and other receivables and prepayments**

Trade and other receivables and prepayments mainly consisted of trade receivables, amounts placed in bank accounts opened on behalf of the residents (“**Residents’ Accounts**”), other receivables and prepayments.

### ***Trade receivables***

Trade receivables are mainly related to receivables from outstanding information technology services, receivables of outstanding property management fee charged on commission basis and receivables of concession services under retail services. Trade receivables decreased by approximately 23.5% from approximately RMB21.7 million as at 31 December 2023 to approximately RMB16.6 million as at 31 December 2024. The decrease was mainly due to the Group's enhancement of its credit control over its trade debtors.

### ***Other receivables***

Other receivables mainly comprised rental deposits and deposits paid to suppliers. Other receivables increased by 20.1% from RMB18.4 million as at 31 December 2023 to RMB22.1 million as at 31 December 2024.

### ***Amounts placed in Residents' Accounts***

Certain property management companies of the Group have engaged in the provision of property management services for residential communities on commission basis and opened the Residents' Accounts. These Residents' Accounts are used to collect property management fee and resident support services fee from the residents. The property management companies have undertaken the treasury function for these bank accounts on behalf of the residents pursuant to the property management contracts.

As at 31 December 2024, amounts placed in the Residents' Accounts of RMB1.4 million represented the balances of the property management commission fee and resident support services fee to which the property management companies are entitled (31 December 2023: RMB0.8 million).

### ***Prepayments***

Prepayments are mainly related to prepayments made to sub-contractors. Prepayments increased by 12.5% from RMB1.6 million as at 31 December 2023 to RMB1.8 million as at 31 December 2024.

### ***Trade and other payables***

Trade and other payables primarily comprised trade payables, other payables and accrued payroll.

### ***Trade payables***

Trade payables primarily comprised fees due to third-party suppliers for products for retail services, and fees due to sub-contractors for provision of information technology services.

Trade payables increased by 14.3% from RMB31.5 million as at 31 December 2023 to RMB36.0 million as at 31 December 2024.

### ***Other payables***

Other payables primarily comprised amounts due to third parties, which mainly include deposits received from tenants in the retail business, and amounted to RMB23.9 million and RMB30.8 million as at 31 December 2024 and 2023 respectively.

### ***Accrued payroll***

Accrued payroll remained stable at RMB8.8 million as at 31 December 2024 as compared to RMB8.2 million as at 31 December 2023.

## **LIQUIDITY AND CAPITAL RESOURCES**

### **Overview**

The Group's primary liquidity requirements relate to the funding of required working capital to support an increase in its scale of operations, purchase of property, plant and equipment and payments for leasehold land. As at 31 December 2024, the Group mainly financed its cash requirements through cash generated from operating activities.

As at 31 December 2024, the Group's material sources of liquidity were cash and cash equivalents of RMB282.9 million (as at 31 December 2023: RMB591.1 million), with main currencies being RMB and HKD. During the year ended 31 December 2024, the Group did not obtain any loans or borrowings (as at 31 December 2023: nil).

### **Gearing ratio**

Gearing ratio is calculated based on total debts (being loan payables due to related parties) divided by total equity as at the end of each year. Gearing ratio was nil as at 31 December 2024 and 31 December 2023.

## **PLEDGE OF ASSETS**

The Group had no pledged assets as at 31 December 2024 (31 December 2023: nil).

## **CONTINGENT LIABILITIES**

The Group had no material contingent liabilities as at 31 December 2024 (31 December 2023: nil).

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 31 December 2024, excluding labour costs borne by the property owners of the residential communities that we managed on commission basis, the Group had 618 employees (31 December 2023: 580 employees). Remuneration is determined with reference to the performance, skills, qualifications and experience of the employee concerned and the prevailing industry practice.

Apart from salary payments, other staff benefits include contributions to the mandatory provident fund (for Hong Kong employees) and state-managed pension schemes (for employees in the PRC Mainland) and a discretionary bonus programme.

In addition, the Company adopted a share option scheme in October 2016 which allows the Directors to grant share options to employees of the Group in order to retain elite personnel within the Group and to provide incentives for their contribution to the Group.

## **SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES OR JOINT VENTURES**

Save as disclosed in the paragraph headed “Investment in unallocated silver bullion” in this announcement, the Group had no significant investments held, material acquisitions and disposals of subsidiaries, associates or joint ventures during the year ended 31 December 2024.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS**

As at the date of this announcement, the Group did not have any concrete future plans for material investments or capital assets.

## **SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD**

### **(a) Special Dividend**

As disclosed in the announcement of the Company dated 25 February 2025, the Board has approved and declared a special dividend of HK11.2 cents per Share, amounting to a total dividend payment of approximately HK\$113.8 million (equivalent to approximately RMB104.9 million), which will be paid on or around Monday, 31 March 2025 to the Shareholders whose names appear on the register of members of the Company on Tuesday, 18 March 2025. For details of the special dividend, please refer to the Company's announcement dated 25 February 2025.

### **(b) Catering Services**

The Group ceased to provide catering services to schools in the first quarter of 2025 due to a gradual decline in profitability, influenced by changing market dynamics. As the Group continues to offer catering services in the local area, the operating segment of catering services is not considered to be a discontinued operation as at 31 December 2024.

Save as disclosed above, the Group had no significant events after 31 December 2024 and up to the date of this announcement.

## **DIVIDENDS DISTRIBUTION**

The Board recommended the payment of the 2024 Final Dividend of HK4.50 cents (2023: final dividend of HK4.30 cents) per Share in respect of the year ended 31 December 2024, amounting to a total dividend payment of approximately HK\$45.7 million, subject to the approval by the Shareholders at the annual general meeting (the “AGM”) to be held on Friday, 20 June 2025. The 2024 Final Dividend will be paid in cash on Thursday, 31 July 2025 to Shareholders whose names appear on the register of members of the Company on Friday, 4 July 2025.

## **ANNUAL GENERAL MEETING**

The AGM is currently scheduled to be held on Friday, 20 June 2025. A notice convening the AGM and all other relevant documents will be published and despatched to the Shareholders (as appropriate) in due course.

## **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of determining the entitlement to attend and vote at the AGM, the register of members of the Company will (so long as the AGM remains to be held on Friday, 20 June 2025) be closed from Monday, 16 June 2025 to Friday, 20 June 2025, both dates inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, unregistered holders of Shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Hong Kong Branch Share Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Friday, 13 June 2025.

In addition, subject to the approval of the proposed 2024 Final Dividend by the Shareholders at the AGM, the register of members of the Company will be closed from Thursday, 3 July 2025 to Friday, 4 July 2025, both dates inclusive, for the purpose of determining the identity of Shareholders who qualify for the proposed 2024 Final Dividend. In order to qualify for the proposed 2024 Final Dividend, unregistered holders of Shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Hong Kong Branch Share Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 2 July 2025.

## **PRE-EMPTIVE RIGHTS**

There are no provisions for pre-emptive rights under the articles of association of the Company, or the applicable laws of the Cayman Islands where the Company is incorporated, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

## **CORPORATE INFORMATION**

The Company was incorporated in the Cayman Islands on 6 January 2016 as an exempted company with limited liability, and the Shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 8 November 2016.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES**

There was no purchase, sale or redemption by the Company or any of its subsidiaries of the Company’s listed securities (including sale of treasury shares, if any) during the year ended 31 December 2024.

As at 31 December 2024, the Company did not hold any treasury shares.

## CORPORATE GOVERNANCE PRACTICES

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

The Company has applied the principles as set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

The Company is committed to enhancing its corporate governance practices appropriate to the conduct and growth of its business and to reviewing such practices from time to time to ensure that they comply with statutory and professional standards and align with the latest development.

The Board is of the view that throughout the year ended 31 December 2024, save for the following deviation, the Company has complied with all the code provisions as set out in Part 2 of the CG Code.

Under code provision C.2.1 of the CG Code as set out in Appendix C1 to the Listing Rules, the roles of chairman of the Board and chief executive officer of the Company should be separate and should not be performed by the same individual. However, the Board considers that Ms. MAN Lai Hung has in-depth knowledge and experience in the Group’s businesses in the PRC Mainland and therefore it is in the best interests of the Group for her to take up the dual roles of the chairman of the Board and chief executive officer of the Company. The Board believes that the combined roles of Ms. MAN Lai Hung can provide the Company with strong and consistent leadership that facilitates effective and efficient planning and implementation of business decisions and strategies, and should be overall beneficial to the management and development of the Group’s business. The structure is supported by the Company’s well established corporate governance structure and internal control policies.

### 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 Group’s code of conduct regarding Directors’ securities transactions.

Specific enquiry has been made by the Company with all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2024.

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

## **AUDIT COMMITTEE AND REVIEW OF CONSOLIDATED FINANCIAL INFORMATION**

The Company established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with the CG Code. As at the date of this announcement, the Audit Committee consists of three independent non-executive Directors, namely Ms. LAW Elizabeth (Chairman), Mr. HO Cham and Mr. MAK Ping Leung (with Ms. LAW Elizabeth possessing the appropriate professional qualifications and accounting and related financial management expertise). The main duties of the Audit Committee are to assist the Board in providing an independent review of the completeness, accuracy and fairness of the financial information of the Group, as well as the efficiency and effectiveness of the Group’s operations and internal controls. The Audit Committee has reviewed with the management of the Company the annual results of the Group for the year ended 31 December 2024, including the accounting principles and practices adopted by the Group.

## **SCOPE OF WORK OF MOORE CPA LIMITED**

The figures in respect of the Group’s consolidated statement of financial position as at 31 December 2024, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group’s auditor, Moore CPA Limited, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by Moore CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no opinion or assurance conclusion has been expressed by Moore CPA Limited on the preliminary announcement.



## **PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This annual results announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.cliffordmodernliving.com](http://www.cliffordmodernliving.com)). The annual report of the Company for the year ended 31 December 2024 containing all the information required by the Listing Rules will be despatched to the Shareholders (as appropriate) and made available on the same websites in due course.

By Order of the Board

**Clifford Modern Living Holdings Limited**

**MAN Lai Hung**

*Chairman, Chief Executive Officer and Executive Director*

Hong Kong, 28 March 2025

*As at the date of this announcement, the board of directors of the Company comprises Ms. MAN Lai Hung, Ms. HO Suk Mee and Mr. LIU Xing as executive Directors; Ms. LIANG Yuhua as non-executive Director; and Ms. LAW Elizabeth, Mr. HO Cham and Mr. MAK Ping Leung (alias Mr. MAK Wah Cheung) as independent non-executive Directors.*