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COLOUR LIFE SERVICES GROUP CO., LIMITED
彩生活服務集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1778)

ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2024

HIGHLIGHTS

- For the year ended 31 December 2024, the Group recorded total revenue of approximately RMB1,951.3 million, gross profit of approximately RMB410.0 million, net profit of approximately RMB36.1 million and the net profit attributable to the owners of the Company of approximately RMB19.0 million.
- As at 31 December 2024, the Group’s liabilities to assets ratio was approximately 24.3%, which increased slightly as compared to that of approximately 23.7% as at 31 December 2023.
- As at 31 December 2024, the Group’s interest-bearing debt balance was nil.
- As at 31 December 2024, the Group’s Total Contracted GFA was 306.82 million sq.m..

The board (the “**Board**”) of directors (the “**Directors**”) of Colour Life Services Group Co., Limited 彩生活服務集團有限公司 (the “**Company**” or “**Colour Life**”) announces the audited financial results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

		2024	2023
	<i>NOTES</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue from services	3 & 4	1,951,321	1,523,179
Cost of services		<u>(1,541,288)</u>	<u>(1,069,019)</u>
Gross profit		410,033	454,160
Other income	5	20,945	29,696
Other gains and losses	5	(34,908)	(43,366)
Impairment losses under expected credit loss model, net of reversal	6	(59,775)	(130,530)
Selling and distribution expenses		(4,186)	(4,658)
Administrative expenses		(233,968)	(255,681)
Finance costs	7	(2,492)	(1,889)
Change in fair value of investment properties		(1,878)	(1,501)
Share of results of associates		(553)	1,538
Share of results of joint ventures		<u>(32,765)</u>	<u>4,842</u>
Profit before tax		60,453	52,611
Income tax expense	8	<u>(24,331)</u>	<u>(19,645)</u>
Profit for the year	9	<u>36,122</u>	<u>32,966</u>

		2024	2023
	<i>NOTE</i>	<i>RMB'000</i>	<i>RMB'000</i>
Other comprehensive income (expense)			
Items that will not be reclassified subsequently to profit or loss:			
Change in fair value of equity instruments designated at fair value through other comprehensive income (“FVTOCI”)		284	(5,933)
Deferred taxation effect on change in fair value of equity instruments designated at FVTOCI		<u>(71)</u>	<u>1,483</u>
Other comprehensive income (expense) for the year, net of income tax		<u>213</u>	<u>(4,450)</u>
Total comprehensive income for the year		<u>36,335</u>	<u>28,516</u>
Profit for the year attributable to:			
Owners of the Company		18,953	23,007
Non-controlling interests		<u>17,169</u>	<u>9,959</u>
		<u>36,122</u>	<u>32,966</u>
Total comprehensive income for the year attributable to:			
Owners of the Company		19,166	18,557
Non-controlling interests		<u>17,169</u>	<u>9,959</u>
		<u>36,335</u>	<u>28,516</u>
Earnings per share – basic (RMB cents)	<i>11</i>	<u>1.27</u>	<u>1.55</u>
Earnings per share – diluted (RMB cents)	<i>11</i>	<u>1.27</u>	<u>1.55</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2024

	<i>NOTE</i>	2024	2023
		<i>RMB'000</i>	<i>RMB'000</i>
Non-current Assets			
Property, plant and equipment		60,112	42,940
Right-of-use assets		196,197	207,109
Investment properties		17,748	19,561
Interests in associates		41,910	42,526
Interests in joint ventures		83,225	115,990
Equity instruments designated at FVTOCI		13,566	13,282
Goodwill		880,344	906,944
Intangible assets		–	–
Other receivables		5,482	6,007
Deferred tax assets		132,354	129,421
Deposits paid for potential acquisition of subsidiaries		123,475	121,776
		<u>1,554,413</u>	<u>1,605,556</u>
Current Assets			
Contract assets		25,453	32,328
Trade receivables	<i>12</i>	748,522	651,808
Other receivables and prepayments		1,530,322	1,454,450
Loan receivables		103,785	141,939
Payments on behalf of residents		820,684	756,830
Amounts due from related parties		84,412	208,286
Restricted bank deposits		55,084	50,269
Bank balances and cash		994,119	947,904
		<u>4,362,381</u>	<u>4,243,814</u>

		2024	2023
	<i>NOTE</i>	<i>RMB'000</i>	<i>RMB'000</i>
Current Liabilities			
Trade payables	13	500,012	378,876
Other payables and accruals		217,164	211,003
Contract liabilities		336,891	253,342
Receipts on behalf of residents		47,722	180,185
Lease liabilities due within one year		9,416	8,093
Amounts due to related parties		40,871	40,501
Tax liabilities		263,183	294,141
		<u>1,415,259</u>	<u>1,366,141</u>
Net Current Assets		<u>2,947,122</u>	<u>2,877,673</u>
Total Assets Less Current Liabilities		<u>4,501,535</u>	<u>4,483,229</u>
Non-current Liabilities			
Deferred tax liabilities		466	248
Lease liabilities due after one year		19,758	19,658
Total Non-current Liabilities		<u>20,224</u>	<u>19,906</u>
Net Assets		<u><u>4,481,311</u></u>	<u><u>4,463,323</u></u>
Capital and Reserves			
Share capital		120,750	120,750
Reserves		4,166,048	4,150,390
Equity attributable to owners of the Company		4,286,798	4,271,140
Non-controlling interests		194,513	192,183
Total Equity		<u><u>4,481,311</u></u>	<u><u>4,463,323</u></u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. GENERAL

Colour Life Services Group Co., Limited (the “**Company**”) is a limited liability company incorporated in Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (“**the SEHK**”). Its immediate holding company is Fantasia Holdings Group Co., Limited (“**Fantasia Holdings**”), a company which was incorporated as an exempted company with limited liability in the Cayman Islands and its shares are listed on the Main Board of the SEHK. Its ultimate holding company is Ice Apex Limited, a limited liability company incorporated in the British Virgin Islands (the “**BVI**”). Its ultimate controlling party is Ms. Zeng Jie, Baby. The addresses of the registered office and principal place of the Company are disclosed in the corporate information section to the annual report.

The Company acts as an investment holding company.

The consolidated financial statements are presented in Renminbi (“**RMB**”), which is the same as the functional currency of the Company and the major subsidiaries.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the Group’s annual period beginning on or after 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)</i>
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants</i>
Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

The application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group's financial position and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to HKAS 21	<i>Lack of Exchangeability¹</i>
Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments²</i>
HKFRS 18	<i>Presentation and Disclosure in Financial Statements³</i>
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture⁴</i>
Amendments to HKFRS Accounting Standards	<i>Annual Improvements to HKFRS Accounting Standards-Volume 11²</i>

¹ Effective for annual periods beginning on or after 1 January 2025.

² Effective for annual periods beginning on or after 1 January 2026.

³ Effective for annual periods beginning on or after 1 January 2027.

⁴ Effective for annual periods beginning on or after a date to be determined.

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements. This new HKFRS Accounting Standards, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; 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 financial statements. 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 statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3. REVENUE FROM SERVICES

Disaggregation of revenue from contracts with customers

For the year ended 31 December 2024

	Property management services <i>RMB'000</i>	Value-added services <i>RMB'000</i>	Total <i>RMB'000</i>
Types of goods and services			
<i>Property management services</i>			
Lump sum basis	1,804,994	–	1,804,994
Pre-delivery services	7,924	–	7,924
Commission basis	40,563	–	40,563
Consultancy services fee	790	–	790
	<u>1,854,271</u>	<u>–</u>	<u>1,854,271</u>
<i>Value-added services</i>			
Online promotion services	–	15,474	15,474
Sales and rental assistance	–	53,036	53,036
Engineering services	–	5,801	5,801
Other value-added services	–	22,739	22,739
	<u>–</u>	<u>97,050</u>	<u>97,050</u>
	<u><u>1,854,271</u></u>	<u><u>97,050</u></u>	<u><u>1,951,321</u></u>
Timing of revenue recognition			
A point in time	–	14,225	14,225
Over time	1,854,271	82,825	1,937,096
	<u><u>1,854,271</u></u>	<u><u>97,050</u></u>	<u><u>1,951,321</u></u>

For the year ended 31 December 2023

	Property management services <i>RMB'000</i>	Value-added services <i>RMB'000</i>	Total <i>RMB'000</i>
Types of goods and services			
<i>Property management services</i>			
Lump sum basis	1,309,741	–	1,309,741
Pre-delivery services	12,956	–	12,956
Commission basis	102,814	–	102,814
Consultancy services fee	2,088	–	2,088
	<u>1,427,599</u>	<u>–</u>	<u>1,427,599</u>
 <i>Value-added services</i>			
Online promotion services	–	36,464	36,464
Sales and rental assistance	–	27,840	27,840
Engineering services	–	22,710	22,710
Other value-added services	–	8,566	8,566
	<u>–</u>	<u>95,580</u>	<u>95,580</u>
	<u><u>1,427,599</u></u>	<u><u>95,580</u></u>	<u><u>1,523,179</u></u>
 Timing of revenue recognition			
A point in time	–	27,840	27,840
Over time	1,427,599	67,740	1,495,339
	<u><u>1,427,599</u></u>	<u><u>95,580</u></u>	<u><u>1,523,179</u></u>

4. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker (the “CODM”). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors of the Company.

During the year ended 31 December 2024 and 2023, the Group is principally engaged in the provision of property management services and related services in the PRC. Management reviews the operating results of the business as a single operating segment as the nature of services, the type of customers for services, the method used to provide their services and the nature of regulatory environment is same in different regions.

Information about major customer

There were no sales to a single customer which amounted to 10% or more of the Group’s revenue during the year ended 31 December 2024 and 2023.

Information about geographical areas

The principal operating entities of the Group are domiciled in the PRC and majority of revenue is derived in the PRC during the years ended 31 December 2024 and 2023.

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

5. OTHER INCOME, GAINS AND LOSSES

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Other income		
Interest income from		
– loan receivables	7,499	7,499
– banks	5,095	4,970
– advance to staffs	109	182
Refund of value-added tax	34	140
Unconditional government grants	5,121	15,010
Others	3,087	1,895
	<u>20,945</u>	<u>29,696</u>
Other gains and losses		
Net loss on disposal/deregistration of subsidiaries	(27,268)	(14,512)
Loss on disposal of associates	(1,126)	–
Loss on termination of lease agreements	–	(21,984)
Exchange gain	261	970
Others	(6,775)	(7,840)
	<u>(34,908)</u>	<u>(43,366)</u>

6. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Impairment loss (recognised on) reversed of		
– trade receivables	(155)	(4,248)
– other receivables	(12,853)	(113,571)
– contract assets	(5,287)	(24,513)
– payments on behalf of residents	(329)	(18,539)
– amount due from related parties	(2,997)	20,071
– loan receivables	(38,154)	10,270
	<u>(59,775)</u>	<u>(130,530)</u>

7. FINANCE COSTS

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Interests on lease liabilities	<u>(2,492)</u>	<u>(1,889)</u>

8. INCOME TAX EXPENSE

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Current tax		
Enterprise Income Tax	(27,117)	(27,610)
Deferred tax		
Credit to profit or loss	<u>2,786</u>	<u>7,965</u>
	<u>(24,331)</u>	<u>(19,645)</u>

9. PROFIT FOR THE YEAR

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Profit for the year has been arrived at after charging:		
Directors' remuneration	5,400	4,481
Other staffs' salaries and other benefits	557,967	459,880
Retirement benefits scheme contributions	<u>79,584</u>	<u>58,203</u>
Total staff costs	<u><u>642,951</u></u>	<u><u>522,564</u></u>
Auditors' remuneration	4,800	4,200
Amortisation of intangible assets	–	1,378
Depreciation of property, plant and equipment	21,937	16,350
Depreciation of right-of-use assets	<u><u>20,348</u></u>	<u><u>19,007</u></u>

10. DIVIDENDS

During the year ended 31 December 2024, no dividend was declared and paid in respect of the year ended 31 December 2023.

The directors of the Company did not recommend the payment of a final dividend for the year ended 31 December 2024 (2023: Nil).

11. EARNINGS PER SHARE

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

	2024	2023
Earnings (RMB'000)		
Earning for the purposes of basic and diluted earnings per share (profit for the year attributable to owners of the Company)	<u>18,953</u>	<u>23,007</u>
Number of shares ('000)		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	<u>1,487,526</u>	<u>1,487,526</u>

For the years ended 31 December 2024 and 2023, the computation of diluted earnings per share does not assume the exercise of certain share options granted by the Company as the exercise prices of the respective options were higher than the average market price per share.

12. TRADE RECEIVABLES

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables	933,882	858,322
Less: allowance for credit losses	<u>(185,360)</u>	<u>(206,514)</u>
	<u>748,522</u>	<u>651,808</u>

Trade receivables are mainly arisen from property management services income from communities under lump sum basis, pre-delivery services and consultancy service arrangement, value-added services income and engineering services income.

Revenue from property management services from communities under lump sum basis are due for payment by property owners upon the issue of demand note, the receiving pattern is normally within 30 days to 1 year after the issue of demand notes to the residents.

Revenue from property management services for pre-delivery services are received in accordance with the terms of the relevant service agreements with the property developers, normally within 30 to 90 days from the issue of demand note.

Revenue from property management services for consultancy service arrangement are received in accordance with the terms of the relevant service agreements with the property management companies, normally within 30 to 90 days from the issue of demand note.

Revenue from value-added services are received in accordance with the terms of the relevant service agreements, normally within 30 to 90 days from the issue of demand note.

Revenue from engineering services are received in accordance with the terms of relevant service agreements, normally within 30 to 90 days from the issue of payment requests.

The following is an aging analysis of trade receivables presented based on the invoice date or date of demand note at the end of the reporting period, which the invoice date or the date of demand note represented the payment due date:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
0-30 days	149,984	122,044
31-90 days	118,570	101,165
91-180 days	146,846	117,186
181-365 days	176,282	119,626
Over 1 year	156,840	191,787
	<u>748,522</u>	<u>651,808</u>

13. TRADE AND OTHER PAYABLES AND ACCRUALS

The credit period granted by suppliers to the Group ranges from 30 to 180 days. The following is an aging analysis of trade payables presented based on the invoice date at the end of each reporting period:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
0-60 days	240,934	166,870
61-180 days	165,423	156,228
181-365 days	81,005	45,885
Over 1 year	12,650	9,893
	500,012	378,876

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS MODEL

The Group is a leading property management and community services operator in China, with a focus on setting up offline and online service platform via the internet technology and effectively connecting the residents of the communities with different commodities and service providers, so as to provide the best living experience for residents of the communities on the back of property management services.

As communities constitute the most fundamental social units within a city, the services provided by the property management are essential in creating a stable and convenient living environment for the residents of the communities and promoting the development of the society. The Group strives to meet the basic living needs of the property owners through providing Four Basic Guarantees services (which are cleaning, greening, security and maintenance services), which constitute the solid cornerstone of community services system.

While meeting the basic living needs of the residents of the communities, the Group also promotes smart community construction by proactively utilising emerging technologies such as the Internet of Things, big data and artificial intelligence, and introducing the application of intelligent equipment, so as to enhance the Group's service quality and efficiency in providing high quality property management services for the residents. The Group has established a powerful digitalized "cloud" system in the head office, which minimised the dependency on function and scope of "management" and strengthened the service capacity of the "terminal", so as to organise effective community services. For instance, the Group has upgraded the existing Big Dipper system to a "digital property management platform" by equipping an AI big model and adding an intelligent customer service feature that covers the five basic services including security, cleaning, greening, maintenance and engineering, the order-oriented operation system of the lift, energy and decoration services, as well as the customer complaint platform comprising complaint, repair application, parking, payment, decoration and other services. The Group has utilized intelligent robots and AI customer service concierges to divide the entire property management service process into orders, further enhancing the service efficiency of the Group.

In addition to its efforts in refining the basic businesses, the Group has classified its management projects into various service levels based on different charging standards, set standards for equipment modification and services and provided well-oriented service experiences, so as to satisfy customers' demand for performance-price ratio in different projects and secure the Group's rapid expansion across China. With the establishment of an automated, centralised and standardized management system, the Group has realised excellent capacity of cost control under the premise of securing customer satisfaction.

While focusing on improving service efficiency, the Group is dedicated to build a "hustle and bustle" communities. The Group has taken the initiative to organise a wide range of community activities and proactively established communication channels to strengthen the relationship between the property owners as well as the property owners and the property management staff and enrich the residents' off-work life and spiritual culture, with ultimate goal of building a better and more caring community. By providing such services, we are able to create a harmonious environment for the property owners, and push forward the establishment of our unique community culture brand, so as to enhance the property owners' trust in the Group. The improvement of the service relationship also lays a solid foundation for the Group to further expand community consumption scenarios.

The Group is actively building up an online platform Caizhiyun for its community services equipped with functions such as paying property management fees, issuing notices and submitting complaints online through the platform, which not only provides convenience for residents of the communities but also strengthens the interactions between community property owners and the Group via online platform. In addition, the Group designates a proportional number of customer managers based on the number of residents in the communities. The customer managers will carry out following up work and seek feedback relating to customer satisfaction in a timely manner. On one hand, it ensures the quality of basic services in the offline community, and on the other hand, it can efficiently understand the needs of community property owners so as to promote the development of corresponding value-added business. By organically combining the online and offline operations of the community, the Group further extends its competitive advantage.

BUSINESS DEVELOPMENT

Usually, property developers are required to engage property management companies before they obtain the delivery permits. At this stage, property developers usually identify qualified property management companies by way of tender, where the Group arranges its marketing department to submit tenders. Once the Group wins the bid, the area under the property management contracts will be incorporated into the Group's Contracted Managed GFA. Property developers will issue an occupation notification to home buyers after the properties are sold. Upon receipt of such notification, the home buyers will be obliged to settle property management fees. This part of Managed GFA will thus be called the "revenue-bearing GFA". The difference between the Contracted Managed GFA and the revenue-bearing GFA is the "reserved GFA" which will be transferred to the revenue-bearing GFA in future.

With a view of expanding the Group's presence, showcasing its services and abilities to a wider audience, the Group has selectively entered into consultancy service contracts with regional property management companies. The area agreed in the contracts will be incorporated into the Group's Consultancy GFA. Aforementioned Managed GFA and Consultancy GFA are collectively referred to as Contracted Managed GFA of the Group.

The Group focused on driving its endogenous new engagements through reputation and branding. With our outstanding property management experience and expansion capability, as of 31 December 2024, the Contracted Managed GFA of the Group had reached 306.82 million sq.m. while the number of communities thereunder had reached 1,759. In which, as at 31 December 2024, the Group's revenue-bearing Contracted Managed GFA reached 157.35 million sq.m.

While proactively expanding service area, the Group made great efforts to establish and upgrade its community service platform, in an effort to meet the daily needs of the property owners and provide them with quality and efficient property management services. In addition to building caring communities, the Group explored various consumption scenarios, product innovation and new business models, with an aim to provide property owners with various value-added services, making property a much more important part of the property owners' life.

The Group also continued to explore types of value-added services under the community scenario, deepened into the property scenario, and provided customised products and services for the property owners based on market demands and property owner needs. For instance, based on the extensive property owner base of the Group and the parking lot management scenario, the Group proactively explored the auto insurance sales business. By establishing the headquarter-to-headquarter communication mechanism with the insurance companies, the Group strived to improve service efficiency and reduce the selection costs and purchase costs of the property owners. In addition, the Group continued to develop and strengthen online platform technology, paving the path for connection with the system of the insurance companies, which enabled the Group to have real-time feedback of the business and claim settlement data and monitor the quality of community-based products in a dynamic manner, so as to provide property owners with high quality customer services and claim settlement services. Also, the Group has built a community online shopping platform – Colour Life Select, which offers property owners all sorts of goods and services and a light entrepreneurial platform. In doing so, the Group was able to increase the interaction frequency between the property and the property owners, enhance the bonding between the property and the property owners, and improve the recognition of the property owners towards its basic property services and value-added services.

As of 31 December 2024, the locations of communities where the Group provided management and consultancy services are set out as follows:



Northeastern China

1 Tieling

Northern China

- 2 Langfang
- 3 Beijing
- 4 Cangzhou
- 5 Chengde
- 6 Qinhuangdao
- 7 Shijiazhuang
- 8 Tianjin
- 9 Xingtai
- 10 Hohhot
- 11 Baotou

Eastern China

- 12 Heze
- 13 Dongying
- 14 Fuzhou
- 15 Fuzhou
- 16 Fuyang
- 17 Ganzhou
- 18 Gaoyou
- 19 Hangzhou
- 20 Huai'an
- 21 Ji'an
- 22 Jinan
- 23 Jiaxing
- 24 Jiangyin
- 25 Jingdezhen
- 26 Jiujiang
- 27 Jurong
- 28 Kunshan
- 29 Linyi
- 30 Longyan
- 31 Nanchang
- 32 Nantong
- 33 Qingdao
- 34 Quanzhou

- 35 Sanming
- 36 Xiamen
- 37 Shanghai
- 38 Shangrao
- 39 Suzhou
- 40 Suqian
- 41 Tai'an
- 42 Taizhou
- 43 Weifang
- 44 Wuxi
- 45 Xinyu
- 46 Xuzhou
- 47 Yancheng
- 48 Yichun
- 49 Changzhou
- 50 Yingtian
- 51 Zaozhuang
- 52 Zhangzhou
- 53 Zhenjiang
- 54 Nanjing
- 55 Changshu

Southern China

- 56 Chongzuo
- 57 Dongguan
- 58 Foshan
- 59 Guangzhou
- 60 Guigang
- 61 Guilin
- 62 Heyuan
- 63 Huizhou
- 64 Liuzhou
- 65 Nanning
- 66 Qingyuan
- 67 Shantou
- 68 Shaoguan
- 69 Yangjiang
- 70 Zhaoqing
- 71 Zhongshan

- 72 Zhuhai
- 73 Beihai
- 74 Wuzhou

Central China

- 75 Chenzhou
- 76 Ezhou
- 77 Enshizhou
- 78 Huanggang
- 79 Huangshi
- 80 Jingzhou
- 81 Liuyang
- 82 Loudi
- 83 Nanyang
- 84 Shaoyang
- 85 Shiyan
- 86 Wuhan
- 87 Xiangyang
- 88 Yichang
- 89 Zhangjiajie
- 90 Changsha
- 91 Zhengzhou
- 92 Luoyang

Shenzhen

93 Shenzhen

Northwestern China

- 94 Baoji
- 95 Lanzhou
- 96 Xi'an
- 97 Xianyang
- 98 Yinchuan
- 99 Yulin

Southwestern China

- 100 Chengdu
- 101 Dali
- 102 Deyang

- 103 Duyun
- 104 Dujiangyan
- 105 Guangyuan
- 106 Guiyang
- 107 Kunming
- 108 Mianyang
- 109 Neijiang
- 110 Qiannanzhou
- 111 Qingzhen
- 112 Chongqing
- 113 Ziyang
- 114 Zunyi
- 115 Gejiu
- 116 Nanchong
- 117 Ngawa Tibetan and Qiang Autonomous Prefecture
- 118 Suining

As at 31 December 2024, the following table sets out GFA and the number of communities where the Group provided management and consultancy services in different regions as at the dates indicated below:

	As at 31 December 2024				As at 31 December 2023			
	Managed by the Group		Under the Group's consultancy service arrangements		Managed by the Group		Under the Group's consultancy service arrangements	
	GFA (<i>'000 sq.m.</i>)	Number of communities	GFA (<i>'000 sq.m.</i>)	Number of communities	GFA (<i>'000 sq.m.</i>)	Number of communities	GFA (<i>'000 sq.m.</i>)	Number of communities
Shenzhen	5,022	75	41	1	5,211	84	41	1
Southern China (excluding Shenzhen)	53,211	371	-	-	61,360	420	-	-
Eastern China	95,847	584	-	-	99,836	660	-	-
Southwestern China	49,498	237	-	-	61,345	267	-	-
Northeastern China	7,147	46	-	-	9,100	53	-	-
Northwestern China	11,763	57	-	-	13,024	64	-	-
Northern China	15,883	78	-	-	19,378	87	-	-
Central China	68,405	310	-	-	86,730	351	-	-
Total	306,776	1,758	41	1	355,984	1,986	41	1

Note:

(1) As at 31 December 2024, the Group's Contracted Managed GFA reached 306.82 million sq.m.

As at 31 December 2024, the Group managed 1,758 communities with an aggregate contracted GFA of approximately 306.78 million sq.m. and entered into consultancy service contracts with 1 community with an aggregate GFA of consultancy service arrangements of approximately 0.041 million sq.m. The Group mainly expands its business by obtaining new service engagements. The following table sets out the movements of contracted GFA and the number of communities where the Group provided management and consultancy services during the reporting period:

	As at 31 December 2024				As at 31 December 2023			
	Managed by the Group		Under the Group's consultancy service arrangements		Managed by the Group		Under the Group's consultancy service arrangements	
	Contracted Managed GFA (<i>'000 sq.m.</i>)	Number of communities	Contracted Managed GFA (<i>'000 sq.m.</i>)	Number of communities	Contracted Managed GFA (<i>'000 sq.m.</i>)	Number of communities	Contracted Managed GFA (<i>'000 sq.m.</i>)	Number of communities
As at the beginning of the year	355,984	1,986	41	1	399,886	2,105	133	2
New engagements ⁽¹⁾	8,905	88	-	-	15,086	93	-	-
Acquisition ⁽²⁾	495	2	-	-	274	7	-	-
Termination ⁽³⁾	(58,608)	(318)	-	-	(59,262)	(219)	(92)	(1)
As at the end of the year	306,776	1,758	41	1	355,984	1,986	41	1

Notes:

- (1) In relation to communities the Group managed, the new engagements mainly included service engagements for new property development projects built by property developers, and a small part was service engagements for residential communities that replaced the previous property management company. In relation to communities the Group provided consultancy services for, new engagements include the Group's entering into of consultancy services agreements with regional property management companies.
- (2) The Group expanded its Managed GFA through acquisitions and gained synergy after the acquisition.
- (3) The Contracted Managed GFA and the number of communities which the Group ceased to renew certain property management contracts due to commercial factors.

BUSINESS OVERVIEW

The Group has two main business lines:

- Property management services, which primarily include: (i) provision of services for communities under lump sum basis; (ii) provision of services for communities under commission basis; (iii) provision of pre-delivery services for property developers; and (iv) provision of consultancy services for property management companies; and
- Value-added services, which primarily include: (i) online promotion services; (ii) sales and rental assistance services; (iii) engineering services; (iv) other value-added services.

Scope of Services for Property Management Services

As at 31 December 2024, the Group employed over 24,808 on-site personnel (including staffs employed by the Group and the staffs outsourced from third parties) to provide property management services. The table below sets forth the property management fee range for area within the communities the Group managed under commission basis and lump sum basis as at the dates indicated below. Property management fee levels within the same geographical region vary depending on factors such as property types and locations.

	As at 31 December 2024		As at 31 December 2023	
	Under commission basis (RMB/sq.m./ month)	Under lump sum basis (RMB/sq.m./ month)	Under commission basis (RMB/sq.m./ month)	Under lump sum basis (RMB/sq.m./ month)
Shenzhen	0.4-11.4	1.8-16.9	0.4-11.4	1.8-16.9
Southern China (excluding Shenzhen)	0.5-6.0	0.7-16.9	0.5-6.0	0.7-16.9
Eastern China	0.4-17.0	1.1-16.0	0.4-17.0	1.1-16.0
Southwestern China	0.5-6.1	0.3-25.0	0.5-6.1	0.3-25.0
Northeastern China	0.4-3.3	2.0-18.0	0.4-3.3	2.0-18.0
Northwestern China	0.5-4.0	1.4-22.7	0.5-4.0	1.4-22.7
Northern China	0.7-5.5	1.2-25.0	0.7-5.5	1.2-25.0
Central China	0.6-5.3	0.9-16.9	0.6-5.3	0.9-16.9

Property management services, which primarily include: (i) provision of services for communities under lump sum basis; (ii) provision of services for communities under commission basis; (iii) provision of pre-delivery services for property developers; and (iv) provision of consultancy services for regional property management companies.

Property Management Services under Lump Sum Basis

Under lump sum basis, the Group is entitled to recognise all property management fees charged from the property owners as revenue and pay the expenses related to property management from the property management fees. Accordingly, the related costs are recognised as the Group's cost of sales.

Property Management Services under Commission Basis

Under commission basis, the Group is essentially acting as an agent of the property owners. The Group reserves the right to retain the specified percentage (usually 10%) of the owner's property management fees as required by the relevant local authorities as the Group's revenue. The remaining property management fees will be used as operating funds to cover the expenses associated with the management of the property.

Pre-delivery Services

The Group may be appointed as a property management company by the property developers at the initial stage of the property development. The Group provides pre-delivery services for the property developers in preparation for the presale activities and recognises the proceeds based on the fees charged. The relevant expenses are calculated based on the number of employees and positions deployed by the Group, and the related staff costs incurred are the sales costs incurred in providing the services.

Consultancy Services

With a view of expanding the Group's presence, showcasing its services and abilities to a wider audience and making its brand more widely known, the Group has selectively entered into consultancy services contracts with regional property management companies. Under such arrangements, the property management companies are contracted to provide property management services for relevant communities. The Group provides consultation and advice for these regional property management companies such that they can leverage on the Group's experience and platform to improve various aspects of them such as property management, quality control and human resources management. In addition, the Group provides value-added services for relevant communities in accordance with the contracts, which may generate additional revenue for the Group in the future.

Scope of Services for Value-added Services

Adhering to the value and concept of “Service to Your Family”, the Group has been focusing on providing diversified value-added business services for community property owners. With 22 years of experience in community management and services, the Group has established a comprehensive online and offline service system. The Group has employed on-site personnel such as customer managers and community stewards to provide more convenient community services for property owners. Through paying frequent visits to and communicating with property owners by customer managers of the Group, the Group has built up trust with residents of the communities and has a clearer understanding on the demands of them. Leveraging on the in-depth understanding about the residents of the communities for which the Group provides management and consultancy services, the Group works with third-party professional goods and service providers to create a safer, more convenient and more comfortable living environment for residents.

The Group’s value-added services primarily include (i) online promotion services; (ii) sales and rental assistance; (iii) engineering services; and (iv) other value-added services.

Online promotion services

The Group collaborates with providers of various products and services and promotes products or services to property owners through Caizhiyun, the online platform run by the Group. Product and service providers pay certain amount of commission according to their sales ordered through the Caizhiyun platform to the Group. Further, the Group provides system or software for projects that it provides management and consultancy services for, and charges amount of usage fees from using information system software.

Sales and rental assistance

The Group (i) refers its case to a third-party property agent, who assists the property owner in completing the rental and the sale of the property. The Group charges the agent on every successful referral and generates revenue from authorizing property agent’s rights to use our online leasing data platform; (ii) helps property developers sell their parking lots under Colour Life Parking Lots model and receives commissions in accordance with the agency sales agreement; (iii) assists communities in renting promotional space of structures (such as elevator interior walls or public spaces) and additional storage space, and receives commissions in return.

Engineering Services

The Group provides engineering services for property developers (including primarily independent property developers and to a lesser extent, the Fantasia Group) and communities which the Group manages through sub-contracting and cooperation with qualified third-party contractors and through its subsidiaries that are mainly engaged in engineering services and energy management services, namely Shenzhen Kaiyuan Tongji Building Technology Co., Ltd. (“**Shenzhen Kaiyuan Tongji**”) and Shenzhen Ancaihua Energy Investment Co., Ltd. (“**Shenzhen Ancaihua**”).

Engineering services provide a safe and comfortable environment for property owners of the communities. It also laid the hardware foundation for the implementation of the strategy of “digital property management platform” for accelerating the comprehensive smart transformation of communities which the Group serves.

In recent years, the Group continued to carry out the internet-based smart transformation to the projects under its management. Focusing on the property owners’ multi-dimension needs for easy community life, we strengthened the transformation of the community mainly in two directions. Firstly, hardware is upgraded to include remote monitoring of elevators, QR code/face recognition access control, vehicle license recognition system in car park etc., so as to realise central management control, replace labour with equipment, save energy and posts, and enhance efficiency and service quality. Secondly, a community service platform is established through connecting communities to the Group’s cloud system at its head office. For example, real-time picture of the operation condition in the community under the Group’s management will be sent to its head office using remote monitoring technology, and it will promptly assign rectification tasks for areas with potential problem and follow up the results.

Other value-added services

Other value-added services include (i) purchase assistance; (ii) energy management services; (iii) insurance brokers; (iv) community care for the elderly; and (v) other value-added services.

REVIEW AND ANALYSIS

Revenue

The Group's revenue mainly arises from (i) property management services; (ii) value-added services. For the year ended 31 December 2024, the total revenue increased by 28.1% to approximately RMB1,951.3 million from approximately RMB1,523.2 million for last year.

The increase in revenue was mainly attributable to the increase in revenue from the Group's property management services, which increased by 29.9% in 2024 as compared to the previous year.

	For the year ended 31 December					
	2024		2023		Variance	
	Amount <i>RMB'000</i>	% of total revenue	Amount <i>RMB'000</i>	% of total revenue	Amount <i>RMB'000</i>	%
Revenue						
Property management services	1,854,271	95.0%	1,427,599	93.7%	426,672	29.9%
Value-added services	97,050	5.0%	95,580	6.3%	1,470	1.5%
Total revenue	<u>1,951,321</u>	<u>100.0%</u>	<u>1,523,179</u>	<u>100.0%</u>	<u>428,142</u>	<u>28.1%</u>

Property Management Services

For the year ended 31 December 2024, revenue from property management services increased by 29.9% to approximately RMB1,854.3 million from approximately RMB1,427.6 million of last year. Breakdown of revenue from property management services are as below:

	For the year ended 31 December					
	2024		2023		Variance	
	Amount <i>RMB'000</i>	% of total revenue	Amount <i>RMB'000</i>	% of total revenue	Amount <i>RMB'000</i>	%
Revenue						
Property management service fees under lump sum basis	1,804,994	92.5%	1,309,741	86.0%	495,253	37.8%
Pre-delivery services	7,924	0.4%	12,956	0.9%	(5,032)	(38.8%)
Property management service fees under commission basis	40,563	2.1%	102,814	6.7%	(62,251)	(60.5%)
Property management consultancy service fees	790	0.0%	2,088	0.1%	(1,298)	(62.2%)
Total of property management service fees	<u>1,854,271</u>	<u>95.0%</u>	<u>1,427,599</u>	<u>93.7%</u>	<u>426,672</u>	<u>29.9%</u>

The changes are mainly attributable to:

- (a) An increase in revenue from property management services under lump sum basis by approximately RMB495.3 million, which was mainly due to the increase in the number of the new commissioned projects for business expansion and communities managed under lump sum basis during the year;

- (b) A decrease in revenue from property management services under commission basis by approximately RMB62.3 million, which was mainly due to the termination of certain commission basis service contracts;
- (c) A decrease in revenue from pre-delivery services by approximately RMB5.0 million;
- (d) A decrease in revenue from property management services under consultancy services by approximately RMB1.3 million.

Value-added Services

For the year ended 31 December 2024, revenue from value-added services increased by 1.5% to approximately RMB97.1 million from approximately RMB95.6 million of last year.

Breakdown of revenue from value-added services are as below:

	For the year ended 31 December					
	2024		2023		Variance	
	Amount <i>RMB'000</i>	% of total revenue	Amount <i>RMB'000</i>	% of total revenue	Amount <i>RMB'000</i>	%
Revenue						
Online promotion services	15,474	0.8%	36,464	2.4%	(20,990)	(57.6%)
Sales and rental assistance	53,036	2.7%	27,840	1.8%	25,196	90.5%
Engineering services	5,801	0.3%	22,710	1.5%	(16,909)	(74.5%)
Other value-added services	22,739	1.2%	8,566	0.6%	14,173	165.5%
Total of value-added service fees	<u>97,050</u>	<u>5.0%</u>	<u>95,580</u>	<u>6.3%</u>	<u>1,470</u>	<u>1.5%</u>

The increase in revenue from value-added service as compared to that of last year was due to:

- (a) A decrease in revenue from online promotion services by approximately RMB21.0 million, mainly due to the decrease in revenue by approximately RMB19.8 million from software usage fees during the year compared to last year;
- (b) An increase in revenue from sales and rental assistance by approximately RMB25.2 million, mainly due to the increase in revenue by approximately RMB20.5 million from assisting communities in renting out physical promotional space during the year compared to last year;
- (c) A decrease in revenue from engineering services by approximately RMB16.9 million;
- (d) An increase in revenue from other value-added services by approximately RMB14.2 million, mainly due to the newly added income from community elderly care services of approximately of RMB8.3 million during the year.

Cost of Services

Cost of services primarily comprises labour costs, subcontracting costs, costs of raw materials which mainly consist of energy-saving light bulbs, intercommunication devices, security camera wires, pipes and others, utility costs, depreciation and amortisation, rental cost and others. For the year ended 31 December 2024, cost of services increased by approximately RMB472.3 million or approximately 44.2% from approximately RMB1,069.0 million of last year to approximately RMB1,541.3 million.

Gross Profit and Gross Profit Margin

For the year ended 31 December 2024, the overall gross profit was approximately RMB410.0 million, representing a decrease of approximately RMB44.2 million or approximately 9.7% from approximately RMB454.2 million for last year.

The overall gross profit margin for the year ended 31 December 2024 was approximately 21.0%, representing a decrease of 8.8 percentage points as compared to 29.8% of last year.

(i) *Property Management Services*

For the year ended 31 December 2024, the gross profit of property management services was approximately RMB334.6 million, representing a decrease of approximately RMB50.3 million from approximately RMB384.9 million for last year, and gross profit margin for the year amounted to 18.0%, representing a decrease of 9.0 percentage points as compared to 27.0% of last year, mainly due to the decrease in revenue from the provision of property management services under commission basis.

(ii) *Value-added Services*

For the year ended 31 December 2024, the gross profit of value-added services was approximately RMB75.4 million, representing an increase of approximately RMB6.1 million from approximately RMB69.3 million for last year, and gross profit margin increased by 5.2 percentage points from 72.5% for last year to 77.7%.

Other Gains and Losses

For the year ended 31 December 2024, the Group's other gains and losses amounted to a loss of approximately RMB34.9 million, representing a decrease in loss of approximately RMB8.5 million as compared to a loss of approximately RMB43.4 million last year. Other gains and losses for the year arose from the disposal of equity interests in subsidiaries and current losses of approximately RMB27.3 million.

Other Income

For the year ended 31 December 2024, other income of the Group decreased by approximately RMB8.8 million to approximately RMB20.9 million from approximately RMB29.7 million of last year, which was mainly attributable to a decrease of approximately RMB9.9 million in government subsidy.

Selling and Distribution Expenses

For the year ended 31 December 2024, selling and distribution expenses of the Group amounted to approximately RMB4.2 million, representing a decrease of approximately RMB0.5 million from approximately RMB4.7 million of last year.

Administrative Expenses

For the year ended 31 December 2024, administrative expenses of the Group were approximately RMB234.0 million, representing a decrease of approximately 8.5% from approximately RMB255.7 million of last year.

Finance Costs

For the year ended 31 December 2024, the finance costs of the Group amounted to approximately RMB2.5 million, representing an increase of approximately RMB0.6 million as compared to that of approximately RMB1.9 million last year, and the finance costs were derived from lease liabilities.

Income Tax Expenses

For the year ended 31 December 2024, the Group's income tax expenses amounted to approximately RMB24.3 million, representing an increase of approximately RMB4.7 million from approximately RMB19.6 million of last year.

Goodwill

As at 31 December 2024, the carrying amount of goodwill was approximately RMB880.3 million, representing a decrease of approximately RMB26.6 million from approximately RMB906.9 million as at 31 December 2023. This was mainly due to (i) a decrease in goodwill of approximately RMB29.1 million due to the disposal of companies by the Group during the year; and (ii) an increase in goodwill of approximately RMB2.5 million due to the acquisition of companies by the Group during the year.

Bank Balances and Cash

As at 31 December 2024, the Group's bank balances and cash increased by approximately 4.9% to approximately RMB994.1 million from approximately RMB947.9 million as at 31 December 2023.

Trade and Other Receivables and Prepayments

Trade receivables mainly arise from property management services income under lump sum basis, property management services income from pre-sale services, property management service income from consultancy services, engineering services income and value-added services income.

As at 31 December 2024, trade receivables of the Group net of the allowance for credit losses amounted to approximately RMB748.5 million, which increased by approximately RMB96.7 million as compared to approximately RMB651.8 million as at 31 December 2023. Trade receivables growth was similar to services revenue growth.

As at 31 December 2024, the Group's other receivables and prepayments amounted to approximately RMB1,535.8 million, which increased by approximately RMB75.3 million as compared to approximately RMB1,460.5 million as at 31 December 2023.

Payments/Receipts on Behalf of Residents

Payments/receipts on behalf of residents represent the current accounts with the property management offices of residential communities managed by the Group under commission basis. These property management offices of residential communities usually have no separate bank accounts because they have no separate legal identity status. For the daily management of these property management offices of residential communities, all transactions of these management offices, including the collection of property management fees and the settlement of daily expenses, are settled through the treasury function of the Group. A net receivable balance from the property management office of the residential community represents expenses paid by the Group on behalf of the residential community in excess of the property management fees collected from the residents of the residential community. A net payable balance to the property management office of the residential community represents property management fees collected from residents of the residential community in excess of the expenses paid by the Group on behalf of the residential community.

Trade and Other Payables and Accruals

Trade and other payables and accruals primarily comprise amounts payables for subcontracting services, deposits received, accrued staff costs, other taxes payable, provision for retirement benefits contribution and consideration payable for acquisition of subsidiaries.

As at 31 December 2024, trade payables amounted to approximately RMB500.0 million (31 December 2023: RMB378.9 million). The increase was approximately RMB121.1 million and the increase in trade payables was similar to the increase in operating costs.

As at 31 December 2024, other payables and accruals amounted to approximately RMB217.2 million (31 December 2023: RMB211.0 million).

Share Capital

As at 31 December 2024, the total number of issued shares of the Company was approximately 1,487,526,000 (31 December 2023: approximately 1,487,526,000) and the share capital was approximately RMB120.8 million (31 December 2023: approximately RMB120.8 million).

Cash Position

As at 31 December 2024, the Group's total cash (including pledged bank deposits) was approximately RMB1,049.2 million, representing an increase of approximately 5.1% from approximately RMB998.2 million as at 31 December 2023, of which approximately RMB55.1 million (31 December 2023: approximately RMB50.3 million) were restricted.

As at 31 December 2024, the current ratio (current assets/current liabilities) of the Group was approximately 3.1 (31 December 2023: approximately 3.1).

Net Gearing Ratio

The net gearing ratio was calculated by net debt over the total equity. As at 31 December 2024, the total of bank balances and cash and pledged/restricted bank deposits amounted to approximately RMB1,049.2 million and the interest-bearing liabilities were fully paid up. Therefore, no net gearing ratio was presented as at 31 December 2024. There was also no net gearing ratio as at 31 December 2023.

Currency Risk

As the Group mainly operates its business in China, there is no material direct exposure to foreign exchange fluctuations risk.

Employees and Remuneration Policies

As at 31 December 2024, the Group had approximately 10,191 employees (31 December 2023: approximately 11,156 employees). Remuneration is determined with reference to the performance, skills, qualifications and experiences of the staff concerned and the prevailing industry practice.

Apart from salary payments, other staff benefits include contribution to the mandatory provident fund (for Hong Kong employees) and state-managed retirement pension scheme (for employees in the PRC) and a discretionary bonus program.

DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2024 (year ended 31 December 2023: nil).

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

Reference is made to the prospectus of the Company dated 3 March 2025 (the “**Prospectus**”) in relation to the rights issue by the Company (the “**Rights Issue**”) on the basis of one (1) rights share (the “**Rights Share(s)**”) for every four (4) existing shares of the Company held on the record date by the qualifying shareholders at the subscription price of HK\$0.165 per Rights Share on a non-underwritten basis.

As disclosed in the Company’s announcement of 24 March 2025, a total of 371,881,438 Rights Shares have been issued pursuant to the Rights Issue. The gross proceeds of the Rights Issue was approximately HK\$61.36 million and the net proceeds was approximately HK\$60.36 million, which will be applied by the Group in accordance with the proposed use of proceeds set forth in the section headed “**REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND INTENDED USE OF PROCEEDS**” in the Prospectus.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the year ended 31 December 2024.

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

CORPORATE GOVERNANCE CODE

The Directors recognise the importance of good corporate governance in the management of the Group. Reference is made to the announcement of the Company dated 19 December 2023 in relation to the resignation of Mr. Xu Xinmin as an independent non-executive director. Since his resignation, the Company has not complied with Rules 3.10, 3.10A, 3.21 and 3.27A of the Listing Rules. As disclosed in the announcement of the Company dated 15 March 2024, Ms. Yu Shan was appointed as an independent non-executive director of the Company with effect from 15 March 2024. The Company has re-complied with Rules 3.10, 3.10A, 3.21 and 3.27A of the Listing Rules since then.

Save as disclosed above, the Company has complied with all code provisions set out in the Corporate Governance Code in Appendix C1 to the Listing Rules for the year ended 31 December 2024.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. The Company has made specific enquiry of all Directors and all Directors confirmed that they have complied with the Model Code during the year ended 31 December 2024.

ANNUAL GENERAL MEETING (THE “AGM”)

The AGM will be held on Friday, 23 May 2025 and a notice convening the AGM will be published and dispatched in the manner as required by the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) in due course.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the qualification as shareholders of the Company to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 20 May 2025 to Friday, 23 May 2025, both days inclusive. In order to qualify as shareholders of the Company to attend and vote at the AGM, unregistered holders of shares of the Company are required to lodge all transfer documents accompanied by the relevant share certificates with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 19 May 2025.

REVIEW OF ANNUAL RESULTS

The annual results of the Company for the year ended 31 December 2024 had been reviewed by the audit committee of the Company (the “**Audit Committee**”), which consists of three independent non-executive directors, namely Mr. Zhang Raymond Yue, Ms. Yu Shan and Mr. Lee Yan Fai (chairman of the Audit Committee).

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) as well as the website of the Company (www.colourlife.hk). The Company's 2024 annual report along with the AGM circular, the notice of AGM, the proxy form and such documents will be published on the aforementioned websites and despatched Company's shareholders in due course.

By Order of the Board
Colour Life Services Group Co., Limited
彩生活服務集團有限公司
ZHU Jindong
Chairman

Hong Kong, 28 March 2025

As at the date of this announcement, the board of directors of the Company comprises Mr. Liu Hongcai and Ms. Yang Lan as executive directors; Mr. Zhu Jindong, Mr. Timothy David Gildner and Mr. Chen Wenjian as non-executive directors; and Mr. Lee Yan Fai, Mr. Zhang Raymond Yue and Ms. Yu Shan as independent non-executive directors.