



Clifford Modern Living Announces 2018 Annual Results
Profit Attributable to Owners of the Company
Increased 29.0% to Approximately RMB72.68 million
Proposes Final Dividend of HK 2.20 Cents per Ordinary Share

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Information Technology Services, Renovation and Fitting-out Services
and Off-campus Training Services Achieved Outstanding Results

(22 March 2019 – Hong Kong) – **Clifford Modern Living Holdings Limited** (“Clifford Modern Living” or the “Company”, stock code: 3686), a renowned diversified services provider in Guangdong Province, has announced the annual results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2018.

Profit Surged Significantly Proposed Payment of Final Dividend

Leveraging its good brand image, rich experience and quality one-stop services, the Group’s revenue amounted to approximately RMB342 million during the year.

The Group’s profit increased continuously as stated in the announcement. In 2018, gross profit grew by 9.6% to approximately RMB166 million for the year. Gross profit margin improved from 41.5% in 2017 to 48.7% in 2018. Profit attributable to owners of the Company surged 29.0% to approximately RMB72.68 million during the year. Basic earnings per share were 7.2 RMB cents.

As a leading living services provider, the Group is committed to be responsible for its investors and plans to propose payment of dividends continuously. In 2018, the Board recommended the payment of a final dividend of HK 2.20 cents per ordinary share, up by 69.2% YoY, reflecting the Group’s confidence in its future operations and the overall industry development.

Ms. Man Lai Hung, Chairman, Chief Executive Officer and Executive Director of Clifford Modern Living, said, “With the income of domestic citizens growing steadily, and the consumption environment constantly improving, the demands of the community residents for quality and convenient living standards have increased accordingly. During the year under review, Clifford Modern Living continued to develop our information technology services, further expanded our property management services network, sped up business expansion in our renovation and fitting-out services, operated our retail outlets of different scales in an effective manner, as well as enlarged the enrollment in our off-campus training courses. The Group’s mission is to provide quality services to our residents which we accomplish by committing ourselves to optimizing and adjusting our business strategy in a timely manner. We are optimistic about how our business model will continue to succeed and the future development of the industry.”

Rapid Business Expansion in the Three Core Businesses:

Information Technology Services, Renovation and Fitting-out Services and Off-campus Training

Revenue from property management services amounted to RMB52.30 million for the year ended 31 December 2018. The Group provides property management services to 15 residential communities and 7 pure commercial properties with an aggregate contracted gross floor area (“GFA”) of approximately 9.62 millionsq.m., up by 41.3% YoY. The increase in the contracted GFA was mainly due to the management of four new pure commercial projects, developed by the PRC Mainland government and developers who are independent third parties. In the future, the Group plans to continue to expand the integrated project business in apartments, shopping malls and commercial offices developed by independent third parties. The Group also intends to accelerate its own business growth through acquisitions of property management companies.

During the year under review, the Group’s information technology services recorded strong revenue growth, with a significant increase of 53.6% YoY to approximately RMB73.82 million. The increase was mainly due to the increase in the average contract amount. At the same time, renovation and fitting-out services were rapidly expanded, mainly due to the expansion of living services in Panyu district, namely “Clifford Wonderview (祈福繽紛匯)” and pure commercial properties. Revenue from renovation and fitting-out services increased by 38.2% YoY to approximately RMB33.63 million for the year.

Due to the increase in student enrollment, the revenue from off-campus training services increased by 18.3% YoY to RMB 40.42 million, which also maintained a relatively rapid growth.

Ms. Man concluded, “With the implementation of the Guangdong, Hong Kong and Macau Greater Bay Area, the Bay Area is set to become the most preferred place for business within the region. Besides, China is placing greater emphasis on the development of smart cities and construction of smart community. Looking ahead, we plan to invest more in information technology services, acquire property management companies, expand the integrated project business in apartments, shopping malls and commercial offices developed by independent third parties to accelerate our business growth, develop online marketing capabilities and establish online distribution channels, and strive to bring superior and diversified living services to our residents, and to create long-term and ideal value for our shareholders.”

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