

【For Immediate Release】**祈福生活服務**
CLIFFORD MODERN LIVING

Clifford Modern Living 2019 Achieves Encouraging Annual Results
Profit Attributable to Owners of the Company
Increases Strongly by 31.8% to Approximately RMB95.80 million
Proposes Final Dividend of HK2.50 Cents per Ordinary Share

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Information Technology Services and Off-campus Training Services
Achieves Stable Development

(27 March 2020 – 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 audited annual results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2019.

Profit Surged Significantly Proposed Payment of Final Dividend

On the back of a solid track record, substantial industry experience and good quality services, the Group’s revenue amounted to approximately RMB397 million during the year, strongly increasing by 16.1% YoY. During the year, the Group’s gross profit grew by 6% to approximately RMB176 million. Profit attributable to owners of the Company surged 31.8% to approximately RMB95.80 million. Basic earnings per share were 9.4 RMB cents. The Board recommended the payment of a final dividend of HK2.50 cents per ordinary share (2018: HK2.20 cents).

Ms. Man Lai Hung, Chairman, Chief Executive Officer and Executive Director of Clifford Modern Living, said, “During the year under review, Clifford Modern Living continued to further extend our scope of business. The development of property management, off-campus training courses, information technology services and ancillary living services resulted in a steady growth of revenue. The Group’s diversified living services, long-term business partners, and the expansion of property management service contracts lay a firmer foundation for future growth.”

Stable Business Expansion in Property Management, Off-campus Training, Information Technology Services and Ancillary Living Services

During the year ended 31 December 2019, revenue generated from property management services was RMB58.1 million. The Group provided property management services to 15 residential communities and seven pure commercial properties or projects with an aggregate contracted gross floor area (“GFA”) of approximately 9,67 million sq.m. In the future, the Group plans to further expand the business and increase market share in the industry by expanding the total contracted GFA and the number of residential communities and pure commercial properties that it manages.

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Revenue from information technology services increased by 18.5% YoY, to approximately RMB87.4 million for the year ended 31 December 2019. The increase in revenue was mainly due to the increase in average contract value and the greater number of completed projects. During the year, the Group has successfully completed a number of contracts, which included an intelligent school campus project.

The Group has strived to improve the cost-effectiveness of retail services and achieved outstanding results. It operates two supermarkets, one wet market and twelve convenience stores in different locations covering a total gross floor area of approximately 10,725 sq.m.. During the year under review, revenue from the retail services decreased from RMB112.4 million to RMB106.9 million. The decrease in revenue was due to the implementation of its enhanced centralized procurement system in 2019, as its variety of merchandise was temporarily decreased during the adjustment period. The Group has nonetheless made good progress in consolidating its procurement operations to unlock cost efficiencies through greater economies of scale over the year, resulting in an increase in gross profit margin to 47.3%.

In 2019, revenue from off-campus training services increased strongly by 20.3% YoY to approximately RMB48.6 million. The increase was in line with a greater variety of interest classes and the newly opened learning center during the year under review.

Ms. Man concluded, “At the start of 2020, the outbreak of the COVID-19 epidemic has seriously impacted China and countries around the globe presenting a challenging situation, and the resumption of normal business operation after the Chinese New Year holidays in our off-campus training and ancillary living services were also delayed. In contrast, our retail services experienced a surge, the unaudited revenue for January and February 2020 increased as compared to the same period in 2018, suggesting that the outbreak may not have a material impact on the Group’s performance. Facing the challenges of a possible slowdown in the PRC’s economic growth, the Group will continue to exercise prudence in controlling expenditures as it looks for new investment opportunities to cope with existing market environment and as we constantly review our business strategy. In the long run, we will continue to implement a diversified development strategy, focusing on the development and expansion of the property management, information technology services, retail, off-campus training, online marketing and distribution channels and other ancillary living services. The steady development of our diversified services portfolio could inject new momentum for the Group’s future business development. Our thoughts remain with the people of Wuhan, the frontline medics and the rest of the People’s Republic of China, and the Group will continue to fulfill its social responsibilities and fight the epidemic together.”

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About Clifford Modern Living Holdings Limited

Clifford Modern Living is a renowned one-stop services provider offering a full-suite service portfolio in the People's Republic of China. The Group strives to provide property management services, renovation and fitting-out services, retail services, information technology services and ancillary living services (involving off-campus training, property agency, employment placement and laundry) to the community. The Group provides the diversified services necessary to maintaining quality daily living standards to individuals and efficient daily operations of the corporate business to corporate customers. It also provides comprehensive chain services to property developers by consolidating the integration of the Group's subsidiary professional services, coupled with its existing business in retail, information technology, off-campus training, etc., assisting developers to resolve various management and operational issues, while also adding value to the "Clifford" brand.

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