

**NEW HOPE**  
新 希 望 服 务 SERVICE

**新 希 望 服 務 控 股 有 限 公 司**  
**New Hope Service Holdings Limited**

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 3658



**2021**  
Interim Report





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# Corporate Information



## BOARD OF DIRECTORS

### Executive Directors

Ms. Wu Min  
Ms. Chen Jing

### Non-executive Directors

Mr. Zhang Mingguai (*Chairman*)  
Mr. Jiang Mengjun  
Mr. Dong Li  
Ms. Huang Kun

### Independent Non-executive Directors

Mr. Cao Qilin  
Mr. Yan Lap Kei Isaac  
Mr. Li Zhengguo

## AUDIT COMMITTEE

Mr. Yan Lap Kei Isaac (*Chairman*)  
Mr. Jiang Mengjun  
Mr. Li Zhengguo

## REMUNERATION COMMITTEE

Mr. Cao Qilin (*Chairman*)  
Ms. Huang Kun  
Mr. Li Zhengguo

## NOMINATION COMMITTEE

Mr. Zhang Mingguai (*Chairman*)  
Mr. Li Zhengguo  
Mr. Cao Qilin

## JOINT COMPANY SECRETARIES

Ms. Zhao Xiaoxing  
Mr. Lau Kwok Yin

## HONG KONG LEGAL ADVISOR

Sidley Austin  
Level 39  
Two International Finance Centre  
8 Finance Street  
Central  
Hong Kong

## AUTHORIZED REPRESENTATIVES

Ms. Chen Jing  
Mr. Lau Kwok Yin

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40th Floor, Dah Sing Financial Centre  
248 Queen's Road East  
Wanchai  
Hong Kong

## THE CAYMAN ISLANDS PRINCIPAL SHARE REGISTER AND TRANSFER OFFICE

Appleby Global Services (Cayman) Limited  
71 Fort Street  
PO Box 500  
George Town  
Grand Cayman KY1-1106  
Cayman Islands

## HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716  
17/F, Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong



## Corporate Information

### COMPLIANCE ADVISOR

Orient Capital (Hong Kong) Limited  
28/F-29/F  
100 Queen's Road Central  
Central  
Hong Kong

### AUDITOR

KPMG  
Certified Public Accountants  
8/F, Prince's Building  
10 Chater Road  
Central  
Hong Kong

### PRINCIPAL BANK

China Merchants Bank  
Chengdu Jinguancheng Sub-branch  
Building 5  
Times Sunny Garden  
8 Hangkong Road  
Chengdu City  
Sichuan Province  
China

### REGISTERED OFFICE

71 Fort Street, PO Box 500  
George Town, Grand Cayman, KY1-1106  
Cayman Islands

### PRINCIPAL PLACE OF BUSINESS AND HEADQUARTERS IN CHINA

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New Hope Zhongding International  
No. 366 Jinshi Road  
Jinjiang District  
Chengdu, Sichuan  
China

### STOCK CODE

3658

### COMPANY'S WEBSITE

[newhopeservice.com.cn](http://newhopeservice.com.cn)

# Chairman's Statement



Dear Shareholders,

On behalf of the board of directors (the “**Board**”) of New Hope Service Holdings Limited (the “**Company**”), I am pleased to present the unaudited interim results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2021 (the “**Period**”).

The Notice on Reinforcement and Improvement of Residential Property Management (《關於加強和改進住宅物業管理工作的通知》), jointly issued by ten ministries and commissions on 5 January 2021, requires to improve the management and efficiency of residential properties through six aspects, including integrating property companies into the basic-level social governance system, improving the governance structure of property owners associations, enhancing property management and service capability, promoting the development of the lifestyle services industry, regulating the use and management of maintenance funds and strengthening property management service supervision and management. The resolution on the Outline of the 14th Five-Year Plan (2021-2025) for National Economic and Social Development and the Long-Range Objectives Through the Year 2035 (關於國民經濟和社會發展第十四個五年規劃和2035年遠景目標綱要) was passed at the Fourth Session of the Thirteenth National People's Congress on 11 March 2021. The Outline refers to the property industry in its six statements on accelerating the quality development of the lifestyle services industry, comprehensively promoting rural revitalization and implementing rural construction actions, improving urban governance, improving community management and service mechanisms, building a green policy development system, and accelerating digital development and building Digital China respectively, which is of great significance in directing the future development of the property management industry. The successful listing of the Company on The Stock Exchange of Hong Kong Limited on 25 May 2021 is of great and far-reaching significance to the development of the Group, as evidenced by the notable improvement of its image and recognition among the public, customers, government and media. As a well-established comprehensive property management and lifestyle services operator, it is believed that the Group's characteristics and leading position in the lifestyle and living service sector will be further consolidated and its market competitiveness will be further improved.

## Performance Review

With its high-efficiency operation and high-quality service, in the first half of 2021, the Company was named one of the “2021 Top 100 Property Management Companies in terms of Service Strength (2021物業服務力百強企業)” released by China Real Estate Appraisal Center of Shanghai E-House Real Estate Research Institute (上海易居房地產研究院中國房地產測評中心) and also the “2021 Top 100 Property Management Companies in the PRC (2021年中國物業服務百強企業)” released by China Index Academy. Benefitting from the Group's long-term cooperation with Sichuan New Hope Property Development Co., Ltd.\* (四川新希望房地產開發有限公司) (“**New Hope Property**”) and/or its subsidiaries (collectively, “**New Hope Property Group**”), as well as the high growth of lifestyle services and the positive impact of the expansion to third-party property developers, for the six months ended 30 June 2021, the Group realized revenue of approximately RMB402.8 million, representing an increase of approximately 75.7% as compared to the corresponding period of 2020. Backed by the revenue growth, the Group realized gross profit of approximately RMB171.8 million, representing an increase of approximately 72.9% as compared to the corresponding period of 2020, and net profit of approximately RMB79.6 million, excluding the listing fees, representing an increase of approximately 82.8% as compared to the corresponding period of 2020.



### Operation Review

#### Increasing management scale and improving management efficiency

In the first half of 2021, the Group focused on its development in Chengdu-Chongqing urban agglomeration and the Eastern China metropolitan area, and continued to deepen its expansion in the key first-tier, new first-tier, and second-tier cities, such as Shanghai, Chengdu, Kunming and Wenzhou, to consolidate and enhance its market position. During the Period, the Group's gross floor area (GFA) under management increased by 79.7% from the corresponding period of 2020 to 12.5 million square meters, and the contracted GFA increased by 51.4% from the corresponding period of 2020 to 20.4 million square meters. Among them, the GFA under management in Eastern China increased by 104.7% year-on-year, covering 18 cities and 82 projects under management. Meanwhile, the management efficiency of the Group continued to improve. During the Period, the Group continued to maintain a relatively high property management fee per square meter and profit per square meter, standing at RMB3.14/month and RMB32.2 per square meter respectively. The collection ratio of property management fees also increased by 5.5 percentage points from the corresponding period last year.

#### Diversified development and expansion seeing good results

In addition to strengthening comprehensive strength, improving service quality and improving customer satisfaction, the Group further improves its advantages in diversified property development by optimizing the ratio of residential and non-residential portfolios in order to boost results performance with sustainable development. During the Period, the Group's non-residential property business ratio increased to 33.8% from the corresponding period of 2020. The Group not only maintained a growth in the existing non-residential property business, it also expanded into the new education and tourism sectors. The overall expansions to third-party property developers increased by approximately 17.0% from the corresponding period last year. During the Period, the good results from such third-party expansions mainly attributable to the systematic and standardized management and control of the cooperation & development center in the expansion process, enabling effective control and follow-up for the whole process from project acquisition to operation and review, as well as the establishment of an internal incentive mechanism with market competitiveness.

#### Rapid increase in revenue from lifestyle services as a strong growth point for development

We fully understand the demands of companies, customers, businesses and relevant local government agencies for food, housing, goods and services, and seek to design a business ecosystem accessible to all parties for the provision of diversified lifestyle services. During the Period, revenue from our lifestyle services significantly increased to RMB89.4 million, representing an increase of 170.8% as compared to the corresponding period of 2020. Among them, revenue from the community living services increased by 220.1% from the corresponding period last year to RMB36.5 million; revenue from the community asset management services increased by 219.9% from the corresponding period last year to RMB14.9 million; and revenue from the online and offline retail services and catering services increased by 86.3% from the corresponding period last year to RMB18.8 million. Such increases were mainly supported by a comprehensive management system, including the online customer platform, product and service supply chain management, comprehensive home services, and the synergistic effect generated from the increase in area under management on lifestyle services. In the future, the Group will also continue to strengthen cooperation with New Hope Property Group, explore more possibilities of products of New Hope Property Group in communities as a micro-ecology, further improve and focus on the growth of lifestyle services and diversify the Group's lifestyle services depending on the demand of customers from different regions.

## Chairman's Statement



### Adhering to the Lifestyle Mission to Facilitate the Happy Undertaking

While maintaining high-quality and sustainable growth, we also earnestly facilitate the happy undertaking and contribute to the society by sticking to the brand concept of “Happiness, make it everyday”. Under the guideline of party building, our Group has rooted in community to participate in the governance of basic-level social. Specially, our Group has established 12 party branches nationwide to integrate the building of “red property (紅色物業)” into daily governance. In guarding the protection and control front of COVID-19 pandemic, we respond rapidly to local government and health departments to implement various anti-pandemic measures in basic-level social. Besides, we also fulfill our social responsibility by delivering warmth and happiness with long-term and accessible practical actions. For example, we pay consistent attention to children’s growth, take care of the left-behind elderly and show care to the blue-collar workers and other groups.

### PROSPECTS

2021 is the starting year of the “14th Five-Year Plan”, marking the critical period when China is transiting from the stage of building a moderately prosperous society in all respects to the stage when the socialist modernization is basically realized, and it is also the first full financial year upon listing of the Group. In the coming future, we will continue to expand in the metropolitan areas and urban agglomerations in China to increase our business scale. Focusing on the residents’ desire for a better life, we will also connect New Hope Property Group’s industries to continue to enhance our lifestyle services. We will continuously improve the service capacity of the Company to lay foundation for lifestyle service development through premium service quality, high service capacity and high satisfaction. At the same time, we will increase investments in technologies to improve service quality as well as operating efficiency. “Lifestyle” is not only in our genes but also a kind of people-oriented and serving-for-people circular development. Upholding the positioning of being a “lifestyle service operator”, we will persist in promoting the sustainable and steady development of the Group with high quality and scale expansion. We will also adopt long-term strategy to make further investment in the future by bettering services, talents and brands.

Finally, I would like to express my sincere gratitude to my fellow directors and all employees for their hard work, and also our business partners and shareholders for their long-term support.

#### **New Hope Service Holdings Limited**

Zhang Minggui  
*Chairman of the Board*

20 August 2021



# Management Discussion and Analysis

## BUSINESS REVIEW

### Overview

The Group is a well-established comprehensive property management and lifestyle service operator in China, providing property management services, value-added services to non-property owners, commercial operational services and lifestyle services. In the first half of 2021, the Group ranked 44th among the “2021 Top 100 Property Management Companies in the PRC (2021年中國物業服務百強企業)” released by China Index Academy and ranked 43rd among the “2021 Top 100 Property Management Companies in terms of Service Strength (2021物業服務力百強企業)” released by China Real Estate Appraisal Center of Shanghai E-House Real Estate Research Institute (上海易居房地產研究院中國房地產測評中心). During the six months ended 30 June 2021, the Group’s net profit margin was 19.8% (after excluding one-off listing expenses). At the same time, the Group continued to maintain a high profit per square meter. As at 30 June 2021, the Group’s profit per square meter was RMB32.2 (calculated by financial data as at 30 June 2021).

As at 30 June 2021, the Company managed 82 projects, and the total gross floor area (“GFA”) under management amounted to approximately 12.5 million sq.m., representing a period-on-period increase of 79.7%. Our roots are in the Chengdu-Chongqing urban agglomeration, the engine of economic development in the Southwest China region. As at 30 June 2021, 50.2% and 32.1% of GFA under management of the Group were located in the Chengdu-Chongqing urban agglomeration and the Eastern China region, respectively, and 41.7% and 44.4% of contracted GFA of the Group were located in these two regions as at the same time, respectively. At the same time, the Group’s GFA under management and contracted GFA in the Eastern China region have increased significantly over the same time point last year. The GFA under management has increased by 104.7% over the same time point last year, and the contracted GFA has increased by 74.6% over the same time point last year. As at 30 June 2021, the property projects served by the Group covered 18 cities in 10 provinces, 1 autonomous region and 2 municipalities in China and most of property management projects of the Group are located in the first-tier, new first-tier and second-tier cities in China.

The Company provides quality property management services and value-added services to non-property owners. The Company also provides commercial operational services for 12 quality commercial properties in 5 cities, namely Chengdu, Kunming, Shanghai, Wenzhou and Nanning. The Company also provides diversified lifestyle services to its property owners, residents and other customers. The Company’s services are closely tied to what people need in their daily lives and what property owners and businesses need for their daily operations. The Company believes its core value lies in its ability to help its individual customers live a safer and more comfortable, healthy and convenient life and assist its business customers in building prosperous businesses.

### Business Model of the Group

During the Period, the Group generated revenue primarily from four business segments: (i) property management services; (ii) value-added services to non-property owners; (iii) commercial operational services; and (iv) lifestyle services.

## Management Discussion and Analysis



### Property Management Services

As at 30 June 2021, the Group's total GFA under management was approximately 12.5 million sq.m. covering 18 cities, with a total of 82 property management project. In addition, the Company had a total of 123 contracted property management projects of approximately 20.4 million sq.m..

The following table sets forth the number of property projects and GFA under management, as well as the number of property projects were contracted to manage and corresponding contracted GFA of the Group as at the dates indicated.

	As at 30 June 2021	As at 30 June 2020	Percentage Increased
Number of properties the Group was contracted to manage <sup>(1)</sup>	<b>123</b>	81	51.9%
Number of properties under management <sup>(2)</sup>	<b>82</b>	49	67.3%
Contracted GFA (sq.m.)	<b>20,386,000</b>	13,463,300	51.4%
GFA under management (sq.m.)	<b>12,527,000</b>	6,973,000	79.7%

Notes:

- (1) Refers to all properties for which we have entered into the relevant operating property management service agreements, which may include properties that have not been delivered to us for property management purposes in addition to properties under management.
- (2) Refers to properties that have been delivered to us for property management purposes.

### Type of properties developers

Leveraging on our high quality services, our professional service team and our renowned reputation, we also stepped up our expansion into independent third-party markets, and we have achieved a rapid growth in terms of GFA obtained from the expansion of independent third-party markets. The Cooperative Development Center of the Company is responsible for the expansion of independent third-party projects, and it realizes systematic and standardized management and control in the external expansion process. Effective management and follow-up had been carried out in all links from projects capturing to operation review. The Group continues to optimize process settings, improve external channel cooperation and integrating marketing mechanism. An internal incentive system with market competitiveness has also been established, which achieved certain results during the Period.

As at 30 June 2021, the proportion of the total GFA under management from independent third-party property developers has increased from 0.1% as at 30 June 2020 to 17.0%, and the revenue of property management generated from properties developed by independent third-party property developers has increased from nil for the six months ended 30 June 2020 to RMB14.0 million in the first half of 2021.



## Management Discussion and Analysis

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

	As at or for the six months ended 30 June 2021					As at or for the six months ended 30 June 2020				
	Number of projects	GFA under management		Revenue		Number of projects	GFA under management		Revenue	
		(sq.m. '0'000)	%	(RMB'000)	%		(sq.m. '0'000)	%	(RMB'000)	%
New Hope Property Group <sup>(1)</sup>	55	781.7	62.4	113,776.5	77.9	40	590.0	84.6	71,943.4	88.7
Joint ventures or associates of New Hope Property Group <sup>(2)</sup>	9	235.4	18.8	7,848.3	5.4	4	89.4	12.8	5,588.8	6.9
Associates of our ultimate controlling shareholders <sup>(3)</sup>	6	23.0	1.8	10,344.6	7.1	4	17.0	2.5	3,576.6	4.4
Independent third parties <sup>(4)</sup>	12	212.6	17.0	13,970.2	9.6	1	0.9	0.1	0.0	0.0
<b>Total</b>	<b>82</b>	<b>1,252.7</b>	<b>100</b>	<b>145,939.6</b>	<b>100</b>	<b>49</b>	<b>697.3</b>	<b>100</b>	<b>81,108.8</b>	<b>100</b>

### Notes:

- Refers to properties solely developed by New Hope Property Group, as well as properties jointly developed by New Hope Property Group and other property developers in which New Hope Property Group held a controlling interest.
- Refer to properties developed by joint ventures or associates of New Hope Property Group, including Sichuan New Hope Industrial Co., Ltd. (四川新希望實業有限公司), Chengdu Shenlong Real Estate Development Co., Ltd. (成都申瓏房地產開發有限公司), Sichuan Dongjin Tourism Development Co., Ltd. (四川東進新希望旅遊開發有限公司), Jiaying Xinjin Properties Co., Ltd. (嘉興新錦置業有限公司), Ningbo Chenxin Properties Co., Ltd. (寧波辰新置業有限公司), Guangxi Tangsheng Investment Co., Ltd. (廣西唐昇投資有限公司), Nanning Xinyong Properties Co., Ltd. (南寧新嶺置業有限公司), and Chongqing Jinyue Real Estate Co., Ltd. (重慶錦明置業有限公司).
- Refer to properties developed by other associates of our ultimate controlling shareholders, namely Mr. Liu Yonghao (劉永好) and Ms. Liu Chang (劉暢), including Sichuan Huaxi Dairy Co., Ltd. (四川華西乳業有限責任公司), New Hope Liuhe Fodder Corp. (新希望六和飼料股份有限公司), Chengdu Jinjiang Xiaokang Comprehensive Outpatient Department Co., Ltd. (成都錦江曉康之家綜合門診部有限公司), Sichuan Xinwang Bank Co., Ltd. (四川新網銀行股份有限公司), Chengdu Xinlimei Beauty Hospital Co., Ltd. (成都新麗美醫療美容醫院有限公司), and Shanghai Tianyou Hospital Limited Ltd. (上海天佑醫院有限公司).
- Refer to properties solely developed by independent third-party property developers.

## Management Discussion and Analysis



### Portfolio of properties under management

The Group primarily manages residential properties. The Group also manages non-residential properties which includes (i) commercial properties, such as shopping centers, shopping streets, specialty markets, office buildings, industrial parks and (ii) other types of non-residential properties, including public facilities, culture and tourism sites and healthcare facilities. The following table sets forth a breakdown of our total GFA under management by property type as at the dates indicated, and revenue from property management services by property type for the periods indicated:

	As at or for the six months ended 30 June 2021					As at or for the six months ended 30 June 2020				
	Number of projects	GFA under management (sq.m. 0'000)	%	Revenue (RMB'000)	%	Number of projects	GFA under management (sq.m. 0'000)	%	Revenue (RMB'000)	%
<b>Residential</b>	<b>48</b>	<b>828.8</b>	<b>66.2</b>	<b>84,288.3</b>	<b>57.8</b>	31	501.6	71.9	48,205.1	59.5
<b>Non-residential</b>										
– Commercial properties	22	266.1	21.2	45,995.6	31.5	16	193.7	27.8	31,812.5	39.2
– Other types of non-residential properties	12	157.8	12.6	15,655.7	10.7	2	2.0	0.3	1,091.2	1.3
<b>Total</b>	<b>82</b>	<b>1,252.7</b>	<b>100</b>	<b>145,939.6</b>	<b>100</b>	49	697.3	100	81,108.8	100

As a result of our continuous efforts to expand our customer base and to diversify our portfolio of properties under management, our GFA under property management for non-residential properties increased by 116.6% from approximately 2.0 million sq.m. as at 30 June 2020 to approximately 4.2 million sq.m. as at 30 June 2021. We believe that the experience and recognition we have gained from managing such diversified non-residential properties will enable us to further expand our portfolio of properties under management, grow our customer base and create diversified sources of financial growth.

### Our geographical presence

Since our inception in Chengdu, Sichuan Province in 2010, the Group has expanded its geographic presence for property management services to 18 cities across the People's Republic of China (the "PRC") as at of 30 June 2021, among which, GFA under management and contracted GFA in Eastern China region have increased significantly compared with the same time point last year. The GFA under management increased by 79.7% compared with the same time point last year, and the contracted GFA increased by 51.4% compared with the same time point last year. As at 30 June 2021, the Group had a total of 82 property projects under management with an aggregate GFA under management of 12.5 million sq.m. As at 30 June 2021, we were contracted to manage 123 projects with a total contracted GFA of 20.4 million sq.m.



## Management Discussion and Analysis

The table below sets forth a breakdown of our total GFA under management by region as at the dates indicated, and the number of projects by region as at the dates indicated:

	As at 30 June 2021		As at 30 June 2020	
	Number of projects	GFA under management (sq.m.0'000)	Number of projects	GFA under management (sq.m.0'000)
Southwestern China region	38	629.0	21	342.1
Eastern China region	27	401.7	16	196.2
Southern China region	10	155.8	6	100.1
Northern China region	7	66.2	6	58.9
<b>Total</b>	<b>82</b>	<b>1,252.7</b>	<b>49</b>	<b>697.3</b>

The table below sets forth a breakdown of our total GFA under management by city tiers as at the dates indicated, and revenue generated from property management services by city tiers for the periods indicated:

	As at or for the six months ended 30 June 2021				As at or for the six months ended 30 June 2020			
	Number of projects	GFA under management (sq.m.0'000)	Revenue (RMB'000)	%	Number of projects	GFA under management (sq.m.0'000)	Revenue (RMB'000)	%
First-tier city <sup>(1)</sup>	3	14.7	4,175.7	2.9	1	4.2	2,529.0	3.1
New first-tier cities <sup>(2)</sup>	40	551.7	69,781.4	47.8	23	268.1	40,854.0	50.4
Second-tier cities <sup>(3)</sup>	39	686.3	71,982.5	49.3	25	425.0	37,725.8	46.5
<b>Total</b>	<b>82</b>	<b>1,252.7</b>	<b>145,939.6</b>	<b>100</b>	<b>49</b>	<b>697.3</b>	<b>81,108.8</b>	<b>100</b>

Notes:

- (1) First-tier city in which we provide property management services includes Shanghai.
- (2) New first-tier cities in which we provide property management services include Chengdu, Suzhou, Chongqing, Shenyang and Qingdao.
- (3) Second-tier cities in which we provide property management services include Dalian, Wenzhou, Nanning, Kunming, Ningbo and Jiaying.

## Management Discussion and Analysis



Among the cities in which we have a presence, cities with a higher increase in area under our management primarily included Chengdu, Kunming, Wenzhou and Nanning. The table below sets forth a breakdown of our total GFA and growth rate under management by cities as at the dates indicated:

	As at 30 June 2021 (sq.m.0'000)	As at 30 June 2020 (sq.m.0'000)	Growth rate (%)
Chengdu	<b>370.3</b>	215.6	71.8
Wenzhou	<b>218.7</b>	136.3	60.4
Kunming	<b>205.9</b>	126.5	62.8
Nanning	<b>155.9</b>	100.2	55.6

### Value-added Services to Non-property Owners

We also provide a series of value-added services to non-property owners, primarily property developers. Our value-added services to non-property owners include (i) sales office management services; (ii) preliminary planning and design consultancy, pre-delivery and repair and maintenance services; and (iii) other services such as construction site management services. During the Period, we obtained contracts for value-added services to non-property owners through commercial negotiations with the customers. During the first half of 2021, the revenue derived from value-added services to non-property owners increased significantly by 58.3% to approximately RMB101.3 million from RMB64.0 million in the same period of 2020, primarily due to the increase in real estate projects under sales, construction and delivery of New Hope Property Group, which enabled the Company to undertake more related business (such as sales office service).

The table below sets forth the breakdown of revenue derived from value-added services to non-property owners for the periods indicated:

	For the six months ended 30 June 2021		For the six months ended 30 June 2020	
	Revenue (RMB'000)	Percentage	Revenue (RMB'000)	Percentage
Sales office management services	<b>59,820.7</b>	<b>59.0%</b>	41,922.1	65.5%
Preliminary planning and design consultancy, pre-delivery and repair and maintenance services	<b>36,380.1</b>	<b>35.9%</b>	18,562.8	29.0%
Other services	<b>5,118.5</b>	<b>5.1%</b>	3,511.0	5.5%
<b>Total</b>	<b>101,319.3</b>	<b>100%</b>	63,995.9	100%



## Management Discussion and Analysis

### Commercial Operational Services

The Group's commercial operational services comprise three categories: (i) market research and positioning and opening preparation services; (ii) commercial operation services; and (iii) commercial properties leasing.

The Group provides commercial operational services to commercial properties, including shopping centers, shopping streets, office buildings, specialty markets and industrial parks. We have a long-term and stable cooperation with the New Hope Property Group, and have provided commercial operational services to all commercial properties developed by New Hope Property Group.

The table below sets forth a breakdown of our total revenue from commercial operational services by service category for the periods indicated:

	For the six months ended 30 June 2021		For the six months ended 30 June 2020	
	Revenue (RMB'000)	Percentage	Revenue (RMB'000)	Percentage
Market research and positioning and opening preparation services	<b>10,961.4</b>	<b>16.6%</b>	1,920.7	3.7%
Commercial operation services	<b>42,415.2</b>	<b>64.1%</b>	43,278.7	84.5%
Commercial properties leasing	<b>12,800.3</b>	<b>19.3%</b>	6,026.3	11.8%
<b>Total</b>	<b>66,176.9</b>	<b>100%</b>	51,225.7	100%

During the first half of 2021, the revenue from commercial operational services increased by 29.2% to approximately RMB66.2 million as compared with RMB51.2 million for the corresponding period in 2020, which was mainly due to the increase in revenue from market research and positioning and opening preparation services and commercial properties leasing. The revenue proportion of market research and positioning and opening preparation services increased from 3.7% to 16.6%, which was mainly attributable to the increase in revenue generated from strategy research and start-up fee of proposed projects in 2021 and upgrading and positioning of projects.

### Lifestyle Services

We offer a wide range of lifestyle services, comprising (i) community living services, including turnkey furnishing services, repair and maintenance services for property owners and residents, convenient living services, and common area management services; (ii) community asset management services, including carpark related services and property agency services; (iii) online and offline retail services and catering services; (iv) marketing event organization services; and (v) community space operational services.

## Management Discussion and Analysis



The following table sets forth a breakdown of our revenue from lifestyle services for the periods indicated:

	For the six months ended 30 June 2021		For the six months ended 30 June 2020		Growth rate %
	Revenue (RMB'000)	Percentage	Revenue (RMB'000)	Percentage	
Community living services	<b>36,453.1</b>	<b>40.8%</b>	11,389.2	34.5%	220.1%
Community asset management services	<b>14,898.8</b>	<b>16.7%</b>	4,657.0	14.1%	219.9%
Online and offline retail services and catering services	<b>18,803.4</b>	<b>21.0%</b>	10,090.5	30.6%	86.3%
Marketing event organization services	<b>18,765.2</b>	<b>21.0%</b>	6,793.0	20.6%	176.2%
Community space operational services	<b>490.4</b>	<b>0.5%</b>	82.8	0.2%	492.3%
<b>Total</b>	<b><u>89,410.9</u></b>	<b><u>100%</u></b>	<u>33,012.5</u>	<u>100%</u>	<u>170.8%</u>

During the Period, we obtained contracts for our lifestyle services primarily through commercial negotiations with the customers. In the first half of 2021, the revenue from lifestyle services has increased by 170.8% from RMB33.0 million for the six months ended 30 June 2020 to RMB89.4 million, among which, the revenue from community living services has increased by 220.1% from RMB11.4 million for the six months ended 30 June 2020 to RMB36.5 million for the six months ended 30 June 2021, primarily due to the increase of GFA under management. At the same time, the Company had established a Space Operation Center in 2021 to actively explore the development opportunity of community space resources and improve the business expansion effort, which resulted in a significant increase of revenue. The revenue from the community asset management service has increased by 219.9% from RMB4.7 million for the six months ended 30 June 2020 to RMB14.9 million, primarily due to (i) the launch of smart parking system in the projects under our management improving the efficiency of management on parking revenue and (ii) the increase of revenue from parking space agency services brought about by the increase of projects under management. The revenue from online and offline retail services and catering services has increased by 86.3% from RMB10.1 million for the six months ended 30 June 2020 to RMB18.8 million for the six months ended 30 June 2021, primarily due to our substantial resource investment in 2020 to expand our market share which achieved a corresponding rapid growth of revenue in 2021.



### PROSPECTS

#### **Continue to expand in the metropolitan areas and urban agglomerations in China to increase our business scale**

The scale growth was one of the development focuses in the future. We will continue to expand our business in the metropolitan areas and urban agglomerations in China, especially the first-tier, new first-tier and second-tier cities in the Chengdu-Chongqing urban agglomeration and the Eastern China region, and continue to consolidate our market position in these areas. To achieve our expansion goal, we will continue to cooperate with New Hope Group and the New Hope Property Group for development. We also plan to actively seek opportunities to manage properties developed by independent third-party property developers through participating in tendering processes and through strategic acquisition and investment. We also plan to continue to expand our collaboration with independent third-party property developers to reduce our reliance on New Hope Property Group, its joint ventures and associates and associates of our controlling shareholders while further increasing our market share. We established a cooperation development center at the headquarters level and cooperation development departments at regional company levels to develop business with independent third-party property developers. We plan to establish business relationship with independent third-party property developers by leveraging the existing relationship between the acquired property management companies and such independent third-party property developers, and seek opportunities to further procure property management service contracts for other property projects developed by them. Moreover, we aim to manage more non-residential properties, such as school property projects, public property projects and transit-oriented development (TOD) projects, to further diversify our portfolio of properties under management.

#### **Focusing on the residents' desire for a better life, connect New Hope Group's industries to continue to enhance our lifestyle services**

By focusing on the residents' desire for a better life, we plan to focus on further developing our lifestyle services, including turnkey furnishing services, convenient living services, community asset management services, online and offline retail services and catering services, marketing event organization services and community space operational services. We will continue to strengthen our cooperation with New Hope Group to make full use of its diverse industry coverage and rich resources to expand our lifestyle services. For example, based on our understanding of the customers' demands, we plan to explore the product supplies available from New Hope Liuhe Co., Ltd. (新希望六和股份有限公司), New Hope Dairy Co., (新希望乳業股份有限公司) and diversify our product offerings for our online and offline retail services and catering services and create diversified product assortment for our customers. We also plan to enhance cooperation with companies under the New Hope Group, for example, to operate canteens and provide catering services for them. We will continue to increase the scale and offerings of our lifestyle services through organic growth and external expansion and enhance the overall living experience of our property owners and residents.

In addition, based on our national service layout, as well as our successful experience in developing new services offerings in the past, we will continue to develop new lifestyle service businesses. As part of this effort, we will explore opportunities to build competitive lifestyle businesses that can provide services to customers beyond our existing customer group, such as residents living in surrounding neighborhoods or other business customers in a variety of industries. We will also look for strategic acquisition and investment opportunities to help us continuously provide competitive lifestyle services for our consumers.

## Management Discussion and Analysis



### **Continue to improve the service capacity of the Company to lay foundation for lifestyle service development through premium service quality, high service capacity and high satisfaction**

Based on “1+4+4” green living service system, we will improve customer service experience and satisfaction by matching and connecting customers’ demands and resources. In particular, one basic service system refers to the adhering of “premium living services in four areas” to provide environmental protection, customer services, safety maintenance and engineering maintenance services, so as to meet customers’ common living needs and requirements for refreshing visual sense. For property management, we made arrangement focusing on four functions, namely “housing inspection, gardener services, space building and intelligent services”. For feeling establishment, the core was four humanistic cares, namely “blue collar care, escorting at deep night, multi-dimensional housekeeper and green living circle”.

We adhere to standard management of quality, establish the protection mechanism that meets standard requirement, and continuously improve management level by regulating standard management process. Meanwhile, leveraging process and quality supervision and examination and verification management mechanism, we interfere and control the quality risks to reduce quality emergencies.

We continue to improve customer service capacity with “customer experience” as our core management benchmark, create “multi-dimensional housekeeper” that features service characteristics of New Hope, and construct core service competitiveness. By focusing on customers’ demands and service experience, we gradually realize the design and creation of comprehensive intelligent scenarios for the expansion of customer channels. Focusing on the core concept of “more convenient communication, more efficient treatment and more heartfelt services”, we further improve customer satisfaction.

We continue to inspire employees’ service awareness and prepare learning resources that are for work scenarios and corresponding content through learning and professional empowerment. In addition, through effective inspiration, we facilitate employee development, promote creative service implementation and upgrade customer experience.

### **Continue to increase investments in technologies to improve service quality as well as operating efficiency**

We will continue to invest in technologies to improve our services to meet the evolving needs of customers, to build the community ecosystem, and to improve our operating efficiency. We expect to focus on the following three directions: customer service, technology empowerment, and lean management.

Customer service. We plan to upgrade our customer service platform, accelerate the development of a big data system, and improve the coverage of intelligent hardware, in an effort to further improve our service quality, enhance the customer experience and improve customer satisfaction. We plan to upgrade our customer service platform to integrate richer and more convenient one-stop services. Through “offline housekeeper + online platform” model, we can make precise match to the needs of customers and use data analysis to assist to enrich our service offerings and improve service quality. We will increase investment in technologies and expand their coverage in more projects under our management. We plan to provide customers with more intelligent and more secure technologies covering traffic control, security protection, environmental protection, and living scenarios.



## Management Discussion and Analysis

Lean management. We plan to upgrade our information technology platforms to improve operating efficiency. We plan to build and optimize our smart management systems, including but not limited to financial management system and supply chain management system, and to provide data analysis to support decision-making and improve management efficiency. We will focus on the development and optimization of the systems and platforms related to our intelligent IoT system, centralized control of equipment and facilities, as well as intelligent equipment and hardware, and work order management platform, to achieve equipment automatic inspection, malfunction early warning, centralized work order assignment, work order tracking, and work order result evaluation and analysis and to further improve operational efficiency and reduce labor cost.

Business development. We plan to integrate business lines such as property management services, community space operation, commercial operational services, and community living services onto a customer service platform, backed by a single centralized background operation system and featuring a unified customer portal. We believe this will help us integrate our service offerings and allow our customers to browse and choose all of the service offerings made available to them, so as to continuously deepen community service operation.

### FINANCIAL REVIEW

#### Revenue

The Group's revenue primarily generated from four business lines: (i) property management services; (ii) value-added services to non-property owners; (iii) commercial operational services; and (iv) lifestyle services. The Group's revenue increased by RMB173.5 million or 75.7% to RMB402.8 million for the six months ended 30 June 2021 from RMB229.3 million for the six months ended 30 June 2020, which was primarily attributable to (i) the increase in revenue from property management service arising from by the increase in the GFA under management of the Group; and (ii) the increase in revenue from lifestyle services.

The following table sets forth a breakdown of our total revenue by business line during the periods indicated:

	For the six months ended 30 June			
	2021		2020	
	Percentage of		Percentage of	
	total revenue		total revenue	
	(RMB'000)	%	(RMB'000)	%
Property management services	<b>145,939.6</b>	<b>36.2</b>	81,108.8	35.4
Value-added services to non-property owners	<b>101,319.3</b>	<b>25.2</b>	63,995.9	27.9
Commercial operational services	<b>66,176.9</b>	<b>16.4</b>	51,225.7	22.3
Lifestyle services	<b>89,410.9</b>	<b>22.2</b>	33,012.5	14.4
<b>Total</b>	<b>402,846.7</b>	<b>100</b>	229,342.9	100

## Management Discussion and Analysis



The property management services are our largest source of revenue. As at 30 June 2021, the revenue from property management services was RMB145.9 million, accounting for 36.2% of the Group's total revenue. This increase in revenue was primarily driven by the significant increase of revenue from property management services, which was brought about by the increase of GFA under management of the Group from 7.0 million sqm. as at 30 June 2020 to 12.5 million sqm. as at 30 June 2021.

The revenue from value-added services to non-property owners increased by 58.3% from approximately RMB64.0 million for the six months ended 30 June 2020 to approximately RMB101.3 million for the six months ended 30 June 2021, which was mainly driven by the increase in number of real estate projects under sales, construction and delivery of New Hope Property Group in the first half of 2020.

The increase by 29.2% from RMB51.2 million for the six months ended 30 June 2020 to RMB66.2 million for the six months ended 30 June 2021 in revenue from commercial operational services was mainly due to commencement of operation of a new commercial subleasing service and the provision of marketing and positioning service of our Group for commercial property projects in the first half of 2021.

The revenue from lifestyle service increased from approximately RMB33.0 million, representing 14.4% of total revenue of the Group for the six months ended 30 June 2020 to approximately RMB89.4 million, representing 22.2% of total revenue of the Group for the six months ended 30 June 2021, which was mainly driven by the increase of revenue generated from (i) community space operational services and community asset management service and (ii) online and offline retail services and catering services and marketing event organization services. On the one hand the Group had more properties under management, which had driven the increase of the revenue from community space operational services and community asset management service, on the other hand, the Group actively invest in and expand its lifestyle services business especially in the areas of online and offline retail services and catering services and marketing event organization services during the Period.

### Cost of Sales

Our cost of sales represents costs directly attributable to the provision of our services and consist primarily of (i) staff costs; (ii) outsourced labor costs; (iii) office expenses; (iv) maintenance costs; (v) material and cost of goods sold; (vi) energy and resources expenses; (vii) cleaning expenses; (viii) depreciation and amortization charges; and (ix) all other costs of sales, which consist primarily of business consultation expenses, entertainment expenses, and costs of low-value consumption goods such as office supplies and stationery. For the six months ended 30 June 2021, the total cost of sales of the Group was approximately RMB231.0 million, which increased by approximately RMB101.0 million or approximately 77.8% as compared to approximately RMB130.0 million for the same period of 2020. The rate of increase in cost of sales was higher than that of our revenue, primarily because due to the increase of property management services and lifestyle services accounted for total revenue of the Group, which have a relatively lower gross profit margin.

### Gross Profit and Gross Profit Margin

The gross profit of the Group increased by RMB72.4 million or 72.9% to RMB171.8 million for the six months ended 30 June 2021 from RMB99.4 million for the six months ended 30 June 2020.



## Management Discussion and Analysis

The following table sets forth a breakdown of our gross profit and gross profit margin by business line during the periods indicated:

	For the six months ended 30 June			
	2021	Gross profit margin	2020	Gross profit margin
	(RMB'000)	%	(RMB'000)	%
Type				
Property management services	<b>45,541.8</b>	<b>31.2</b>	26,214.1	32.3
Value-added services to non-property owners	<b>41,290.7</b>	<b>40.8</b>	27,001.6	42.2
Commercial operational services	<b>43,403.5</b>	<b>65.6</b>	35,212.1	68.7
Lifestyle services	<b>41,603.7</b>	<b>46.5</b>	10,962.1	33.2
<b>Total</b>	<b>171,839.7</b>	<b>42.7</b>	99,389.9	43.3

For the six months ended 30 June 2021, the gross profit margin of the Group decreased by 0.6 percentage points as compared with the corresponding period last year.

Our gross profit margin of property management services decreased by 1.1%, primarily because we would no longer enjoy the government subsidies granted in 2020 for the COVID-19 pandemic during the Period.

Our gross profit margin of value-added services to non-property owners decreased by 1.4%, which remained stable compared with corresponding period last year.

Our gross profit margin of commercial operational services decreased by 3.1%, primarily due to the relatively low gross profit margin for subleasing business starting from the second half of 2020.

Our gross profit margin of lifestyle services increased by 13.3%, primarily due to the increase of community space operational services and community asset management service, which have a higher gross profit margin, in the proportion of total revenue. On the other hand, the scale expansion of online and offline retail services and catering services business had resulted in the reduction of its cost and the improvement of efficiency.

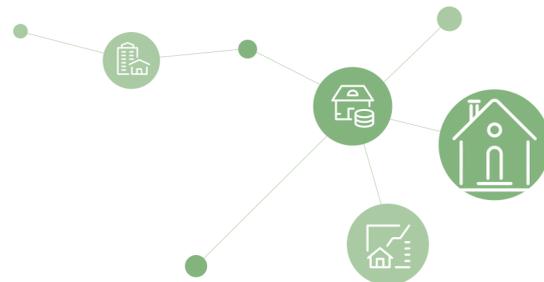
### Other Net Income

The other net income of the Group increased by RMB2.1 million or 525% to RMB2.5 million for the six months ended 30 June 2021 from RMB0.4 million for the six months ended 30 June 2020, which was primarily attributable due to a policy that taxpayers who enjoy production and life service industries can enjoy an increase in tax incentives that can be deducted from the input tax plus 10%.

### Administrative Expenses

Our administrative expenses include (i) staff costs; (ii) professional fees, (iii) office and business entertainment expenses; (iv) depreciation and amortization; (v) listing expenses; (vi) tax expense; and (vii) all other administrative expenses, which primarily consist of office expenses, tax expenses, hiring and training expenses, and cleaning expenses. Total administrative expenses of the Group were approximately RMB101.3 million for the six months ended 30 June 2021, which increased by approximately RMB56.0 million or approximately 123.6% as compared to approximately RMB45.3 million for the six months ended 30 June 2020. Such increase was mainly incurred in (i) costs for employees for the expansion of business and the launch of new life style service; and (ii) the listing related expenses.

## Management Discussion and Analysis



### Selling Expenses

The selling expenses of the Group increased by RMB0.9 million or 128.6% to RMB1.6 million for the six months ended 30 June 2021 from RMB0.7 million for the six months ended 30 June 2020. The increase in expenses is mainly due to expenses incurred by the Group for the expansion of its business during the Period.

### Finance Costs, Net

The finance costs of the Group decreased by RMB0.6 million or 40.0% to RMB0.9 million for the six months ended 30 June 2021 from RMB1.5 million for the six months ended 30 June 2020, which were primarily attributable to the decrease in non-recurrence for asset-backed securities related expenses in 2021.

### Incom Tax Expense

For the six months ended 30 June 2021, the income tax of the Group was approximately RMB10.9 million (for the six months ended 30 June 2020: RMB8.6 million) and the trend is consistent with the increase of profit of the Company during the Period.

### Profit for the Period

The net profit of the Group increased by approximately RMB15.4 million or approximately 35.2% to approximately RMB58.9 million for the six months ended 30 June 2021 from approximately RMB43.5 million for the six months ended 30 June 2020.

The net profit excluded the listing expenses of the Group increased by approximately RMB36.1 million or approximately 82.8% to approximately RMB79.6 million for the six months ended 30 June 2021 from approximately RMB43.5 million for the six months ended 30 June 2020.

### Core Net Profit Attributable to Owners of the Parent Company

The core net profit attributable to owners of the parent company excluded the listing expenses. The core net profit attributable to owners of the parent company increased by approximately 82.8% to approximately RMB79.6 million for the six months ended 30 June 2021 from approximately RMB43.5 million for the six months ended 30 June 2020.

### Property, Plant and Equipment

Property, plant and equipment of the Group mainly consists of machinery, vehicles, electronic equipment, office and other equipment, furniture and fixtures, and right-of-use assets. As at 30 June 2021, the Group's property, plant and equipment was approximately RMB16.0 million, a decrease by approximately RMB1.1 million from approximately RMB17.1 million as at 31 December 2020, mainly due to depreciation of fixed assets in 2021.

### Trade Receivables

Trade receivables primarily arise from the provision of property management services, value-added services to non-property owners, commercial operational services and lifestyle services. The Group's trade receivables as at 30 June 2021 amounted to approximately RMB171.7 million, representing an increase of approximately RMB8.5 million or 5.2% as compared to approximately RMB163.1 million as at 31 December 2020, which was consistent with the trend of income growth.



### Prepayments, Deposits and Other Receivables

Prepayment, deposits and other receivables increased by 57.1% from RMB38.1 million as at 31 December 2020 to RMB59.9 million as at 30 June 2021, primarily due to the increase of prepayments brought by the development of our business and the increased investment in informatization construction had not been carried over to intangible assets since the acceptance conditions have yet been met.

### Trade Payables

The Group's trade payables as at 30 June 2021 amounted to approximately RMB62.9 million, representing an increase of approximately RMB19.3 million or 44.2% as compared to approximately RMB43.7 million as at 31 December 2020, which is mainly due to the development of our business.

### Other Payables and Accruals

Other payables and accruals increased by 31.6% from RMB172.2 million as at 31 December 2020 to RMB226.6 million as at 30 June 2021, primarily due to the increase amount of received deposits, security deposits with the development of our business.

### Financial Position and Capital Structure

For the six months ended 30 June 2021, the Group maintained a sound financial position.

As at 30 June 2021, the Group's current ratio (current assets/current liabilities) was 2.4 times (31 December 2020: 1.2 times) and net gearing indicated a net cash status (31 December 2020: net cash). Net gearing ratio is calculated by interest-bearing borrowings minus cash and cash equivalents, and then divided by net assets. As at 30 June 2021 and 31 December 2020, the Group did not have any outstanding interest-bearing borrowings.

### Pledge of Assets

As at 30 June 2021, none of the assets of the Group were pledged (31 December 2020: Nil).

### Contingent Liabilities

As at 30 June 2021, the Group did not have any material contingent liabilities (31 December 2020: Nil).

### Interest Rate Risk

As the Group had no significant interest-bearing assets and liabilities, the Group is not exposed to material risk directly relating to changes in market interest rate.

### Foreign Exchange Risk

The Group mainly operates its business in the PRC, and substantially all of its revenue and expenses are denominated in Renminbi. As at 30 June 2021, among the Group's cash and bank balances, RMB21.6 million and RMB0.05 million was denominated in Hong Kong dollars and US dollars, respectively, such amounts were subject to the exchange rate fluctuation. The Group does not have any policy to hedge against foreign exchange risk. However, the Group will closely monitor its foreign exchange exposure, and strive to maintain the value of the Group's cash.

## Management Discussion and Analysis



### SIGNIFICANT INVESTMENTS HELD BY THE GROUP

During the Period and as at 30 June 2021, there were no significant investments held by the Group.

### MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE ENTERPRISES

During the Period, the Group had undergone acquisitions and disposals of subsidiaries for the purpose of the reorganization in preparation for the listing of shares (the “**Share(s)**”) of the Company (the “**Listing**”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Please refer to the prospectus of the Company dated 11 May 2021 (the “**Prospectus**”) for further details.

Save as disclosed in the Prospectus, the Company has no other significant investments or significant acquisitions or disposals of subsidiaries, associates and joint ventures during the Period.

### FUTURE PLANS FOR MATERIAL INVESTMENTS ON CAPITAL ASSETS

The Group intends to utilise the net proceeds raised from the Listing according to the plans set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus. For details, please refer to section headed “Use of Net Proceeds from the Listing” below.

Save for the above, the Group did not have any other immediate plans for material investments and capital assets as at 30 June 2021.

### EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2021, the Group had approximately 3,427 employees (31 December 2020: 3,442 employees). During the Period, the total staff costs were approximately RMB21.3 million (for the six months ended 30 June 2020: approximately RMB12.8 million).

In order to attract and retain high quality staff to enable smooth operation within the Group, the remuneration policy of the Group’s employees are being reviewed periodically to ensure that the salary and benefit levels of the employees of the Group are competitive. The salaries and allowances of employees were determined based on their performance, experience and the then prevailing market rates. Discretionary performance bonus and share option scheme after assessments is in place for employees to reward their contributions. The Group is subject to social insurance contribution plans or other pension schemes prescribed by the local governments and is required to pay on behalf of its employees, a monthly social insurance funds covering pension fund, medical insurance, work-related injury insurance, maternity insurance and unemployment insurance, and the housing provident fund, or to contribute regularly to mandatory provident fund schemes on behalf of its employees.

The Group continues to provide adequate on-the-job trainings to employees to equip them with practical knowledge and skills. The employee training programs primarily cover key areas in the Group’s business operations, which provide continuous training to its existing employees at different levels to specialize and strengthen their skill sets.



# Corporate Governance and Other Information

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of our shareholders and to enhance corporate value and accountability. The Company has adopted Corporate Governance Code and Corporate Governance Report (the “**CG Code**”) contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as its own code of corporate governance.

In the opinion of the directors of the Company (the “**Director(s)**”), the Company has complied with all the code provisions as set out in the CG Code from the date of Listing (being 25 May 2021) to 30 June 2021. The Company will continue to review and monitor its corporate governance practice to ensure the compliance of the CG Code.

## COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions conducted by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules as its own Code of Conduct for securities transactions conducted by relevant Directors. After making specific enquires to all the Directors, each of them has confirmed that they have complied with the required standards set out in the Model Code from the date of Listing to 30 June 2021.

## CHANGES IN DIRECTORS’ AND CHIEF EXECUTIVE’S INFORMATION

There is no information required to be disclosed pursuant to Rule 13.51B of the Listing Rules.

## SHARE OPTION SCHEME

The Company conditionally adopted a share option scheme through written shareholders’ resolution on 30 April 2021 (the “**Share Option Scheme**”). The purpose of the Share Option Scheme is to recognize and acknowledge the contributions that the eligible participants had or may have made to the Group. The Directors believe the Share Option Scheme will enable the Group to reward the Group’s employees, Directors and other selected participants for their contributions to the Group. For details of the Share Option Scheme, please refer to the section headed “Appendix V – Statutory and General Information – D. OTHER INFORMATION – 1. Share Option Scheme” in the Prospectus.

Since the date of the adoption of the Share Option Scheme and up to the end of the Period, no options have been granted, exercised, cancelled or lapsed under the Share Option Scheme, and there were no outstanding options under the Share Option Scheme.



### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 30 June 2021, the interests or short positions of the Directors or the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) which were required to be entered in the register required to be kept by the Company pursuant to section 352 of the SFO, or which were otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code under the Listing Rules, are set out below:

#### (i) Interest in our Company

Name of Director	Nature of Interest	Number of Shares <sup>(1)</sup>	Percentage of shareholding interest
Mr. Zhang Minggui <sup>(2)</sup>	Settlor and beneficiary of a discretionary trust and interest in controlled corporation	37,200,000 (L)	4.57%
Ms. Wu Min <sup>(2)</sup>	Beneficiary of a discretionary trust and interest in controlled corporation	37,200,000 (L)	4.57%
Ms. Chen Jing <sup>(2)</sup>	Beneficiary of a discretionary trust and interest in controlled corporation	37,200,000 (L)	4.57%
Mr. Jiang Mengjun <sup>(2)</sup>	Beneficiary of a discretionary trust and interest in controlled corporation	37,200,000 (L)	4.57%
Ms. Huang Kun <sup>(2)</sup>	Beneficiary of a discretionary trust and interest in controlled corporation	37,200,000 (L)	4.57%

Notes:

- (1) The letter "L" denotes the person's long position in the Shares.
- (2) Mr. Zhang Minggui is the settlor of the Employee Benefit Trust, a discretionary trust for the benefit of New Actuation Development Limited ("New Actuation"), New Charm Development Limited ("New Charm"), New Mistry Development Limited ("New Mistry"), New Conception Development Limited ("New Conception"), New Grace Development Limited ("New Grace") with TMF Trust (HK) Limited as the trustee. Each of New Actuation, New Charm, New Mistry, New Conception and New Grace is wholly owned by Mr. Zhang Minggui, Ms. Wu Min, Ms. Chen Jing, Mr. Jiang Mengjun and Ms. Huang Kun, respectively, for the purpose of investment holdings. Accordingly, Mr. Zhang Minggui is deemed to be interested under the SFO in the Shares held by the Employee Benefit Trust in his capacity as the settlor and beneficiary of the Employee Benefit Trust and as a Director, and each of Ms. Chen Jing, Ms. Wu Min, Mr. Jiang Mengjun and Ms. Huang Kun is deemed to be interested under the SFO in the Shares held by the Employee Benefit Trust in their respective capacity as the beneficiary of the Employee Benefit Trust and as a Director.



## Corporate Governance and Other Information

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as is known to the Company, as at 30 June 2021, as recorded in the register required to be kept by the Company under section 336 of the SFO, the following persons, other than a Director or chief executive of the Company, had an interest of 5% or more in the Shares or underlying Shares:

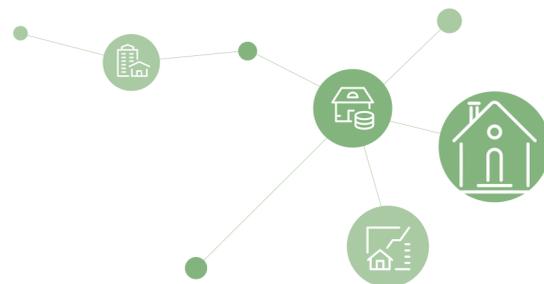
Name	Nature of interest	Number of Shares <sup>(1)</sup>	Percentage of shareholding interest
Adventure Way Pte. Ltd. <sup>(2)</sup>	Protector of a discretionary trust and interest in controlled corporation	544,800,000 (L)	66.92%
Ms. Liu Chang <sup>(2)</sup>	Settlor of a discretionary trust and interest in controlled corporation	544,800,000 (L)	66.92%
Mr. Liu Yonghao <sup>(2)</sup>	Interest in controlled corporation	544,800,000 (L)	66.92%
Medea Investments Limited <sup>(2)</sup>	Interest in controlled corporation	544,800,000 (L)	66.92%
Vistra Trust (Singapore) Pte. Limited <sup>(2)</sup>	Trustee of a discretionary trust	544,800,000 (L)	66.92%
Sea Glory Developments Limited <sup>(2)</sup>	Interest in controlled corporation	544,800,000 (L)	66.92%
New Prosperity Development Limited <sup>(2)</sup>	Interest in controlled corporation	544,800,000 (L)	66.92%
Golden Rose Developments Limited <sup>(2)</sup>	Beneficial owner	544,800,000 (L)	66.92%

Notes:

(1) The letter "L" denotes the person's long position in the Shares.

(2) The entire issued share capital of Golden Rose Developments Limited is wholly owned by New Prosperity Development Limited, which is in turn indirectly wholly owned by Sea Glory Developments Limited, a special purpose holding vehicle wholly owned by Vistra Trust (Singapore) Pte. Limited, the trustee of the Cathaya Trust. The Cathaya Trust is an irrevocable discretionary trust for the benefit of Mr. Liu's family members. The protector of the Cathaya Trust is Adventure Way Pte. Ltd., which is directly and indirectly wholly owned by Mr. Liu Yonghao and Ms. Liu Chang through Medea Investments Limited. By virtue of the Acting in Concert Deed, Mr. Liu Yonghao and Ms. Liu Chang both have a deemed interest under the SFO in the Shares held by Adventure Way Pte. Ltd. in its capacity as the protector of the Cathaya Trust. Vistra Trust (Singapore) Pte. Limited has a deemed interest under the SFO in the Shares held by the Cathaya Trust in its capacity as trustee of the Cathaya Trust. Accordingly, each of Mr. Liu Yonghao, Ms. Liu Chang, Medea Investments Limited, Adventure Way Pte. Ltd., Vistra Trust (Singapore) Pte. Limited, Sea Glory Developments Limited, New Prosperity Development Limited has a deemed interest under the SFO in the Shares held by Golden Rose Developments Limited.

## Corporate Governance and Other Information



### INTERIM DIVIDEND

The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2021.

### USE OF NET PROCEEDS FROM THE LISTING

The Shares were listed on the Stock Exchange on 25 May 2021 and the over-allotment option was partially exercised on 11 June 2021. The Company intends to utilize the net proceeds from the Listing according to the plans set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus. Net proceeds from the Listing (including the partial exercise of the over-allotment option), after deducting the underwriting commission and other estimated expenses in connection with the Listing, amounted to approximately HK\$790.0 million (equivalent to approximately RMB648.7 million). As at 30 June 2021, an analysis of the utilisation of net proceeds from the Listing is as follows:

Major Categories	% of		Sub-categories	Specific Plans	% of Total Proceeds	Actual use of net proceeds from the date of Listing to 30 June 2021 (HK\$ in millions)	Unutilised net proceeds as at 30 June 2021 (HK\$ in millions)	Expected timeframe of the intended use of net proceeds (HK\$ in millions)				
	Total Proceeds	Amount (HK\$ in millions)						Total Proceeds	30 June 2021 (HK\$ in millions)	30 June 2021 (HK\$ in millions)	Jul.-Dec. 2021	Jan.-Jun. 2022
Strategic acquisition and investment	70.0%	553.0	Acquire and invest in other property management companies	We expect to further expand our business and diversify the property portfolio and further solidify our market position by acquiring or investing in other property management companies that focus on residential properties and non-residential properties such as office buildings, commercial complexes, and healthcare and education facilities	61.7%	-	487.4	333.5	153.9	-	-	-
			Acquire and invest in other companies providing lifestyle services	We to acquire or invest in companies offering lifestyle services, such as daycare services, in order to further develop our service ecosystem and improve our customer satisfaction	8.3%	-	65.6	-	-	65.6	-	-



## Corporate Governance and Other Information

Major Categories	% of Total Proceeds	Sub-categories	Specific Plans	% of Total Proceeds	Actual use of net proceeds from the date of Listing to 30 June 2021 (HK\$ in millions)	Unutilised net proceeds as at 30 June 2021 (HK\$ in millions)	Expected timeframe of the intended use of net proceeds (HK\$ in millions)					
							Jul.-Dec. 2021	Jan.-Jun. 2022	Jul.-Dec. 2022	Jan.-Jun. 2023	Jul.-Dec. 2023	
Upgrade information system and equipment	15.0%	118.5	Middleground system	We expect to invest in the middleground systems, including, among others, (i) data middleground system and infrastructural data management system to integrate the data available for our business operation under different business segments, (ii) customer relationship management system to meet additional technology needs arising from our business expansion for a variety of our service offerings and the upgrades of our overall information system structure, and (iii) membership system to achieve centralized management of customer membership in different business segments and to generate more business value from customer membership data	3.0%	-	23.6	11.7	2.5	5.8	1.1	2.5
			Property management support system	We plan to purchase a centralized management standardization system to achieve standardized management of our property management projects across the PRC and improve our overall operation efficiency and service quality	0.3%	-	2.2	0.4	0.4	0.8	0.2	0.4
			Lifestyle service support system	We expect to invest in information technology platforms to support our lifestyle services, including, among others, (i) to develop and optimize our ERP system to add features such as direct links to invoice printer and electronic invoice system, and access to online payment system and payment systems for other channels, and warehouse inventory management function, and (ii) to develop information technology platforms to support our community space operational services, online and offline retail services and catering services and community asset management services by adding features such as leasable space management function, contract management function, supplier information sharing function, to achieve efficient operation and management of these business lines	1.9%	-	15.2	5.7	1.8	4.1	1.1	2.5

## Corporate Governance and Other Information



Major Categories	% of		Sub-categories	Specific Plans	% of Total Proceeds	Actual use of net proceeds from the date of Listing to 30 June 2021 (HK\$ in millions)	Unutilised net proceeds as at 30 June 2021 (HK\$ in millions)	Expected timeframe of the intended use of net proceeds (HK\$ in millions)				
	Total Proceeds	Amount (HK\$ in millions)						Jul.-Dec. 2021	Jan.-Jun. 2022	Jul.-Dec. 2022	Jan.-Jun. 2023	Jul.-Dec. 2023
Corporate infrastructural operation system				We expect to optimize our corporate infrastructural operation systems, including, among others, (i) to develop business plan management system to add functions consolidating each subsidiary's business management, quality control, supply chain management, contract management, accounting management at our headquarters, (ii) to upgrade our financial indicator management and reporting system to achieve additional features such as refined cost and expense management at project level, streamlined internal expense approval procedure and data generation and display of revenue, costs, profits and other key financial indicators at different corporate levels, (iii) to update our settlement system to add additional features such as unified accounting items at different corporate levels, centralized management of receivables and functions to support the financial data analysis for various business decisions, and (iv) to upgrade our cost control system to achieve functions such as centralized supply contract management and payment schedule management and functions to support the centralized customer and supplier database	1.4%	-	11.1	4.7	1.2	2.9	0.7	1.6
Intelligent community pilot projects				We plan to invest in four intelligent community pilot projects in Chengdu-Chongqing urban agglomeration. Such pilot projects are expected to be fully covered by RMA system, cloud-based intelligent traffic control system and intelligent security protection system to prepare for more extensive coverage of these intelligent systems in the property projects under our management	5.4%	-	42.8	8.5	8.5	8.6	8.6	8.6



## Corporate Governance and Other Information

Major Categories	% of		Sub-categories	Specific Plans	% of Total Proceeds	Actual use of net proceeds from the date of Listing to 30 June 2021 (HK\$ in millions)	Unutilised net proceeds as at 30 June 2021 (HK\$ in millions)	Expected timeframe of the intended use of net proceeds (HK\$ in millions)				
	Total Proceeds	Amount (HK\$ in millions)						Jul.-Dec. 2021	Jan.-Jun. 2022	Jul.-Dec. 2022	Jan.-Jun. 2023	Jul.-Dec. 2023
			Human resources to support information technology upgrades	We plan to recruit information technology and management professionals, including, among others, research and development engineers and managers, product managers and project managers  Specifically, we plan to recruit approximately five to 10 technical experts and product experts with annual salary of approximately RMB300,000 to RMB600,000 per person, whose work assignment would encompass developing and optimizing intelligent IoT system	3.0%	-	23.7	-	6	5.9	5.9	5.9
Talent recruitment and team building	5.0%	39.5	N/A	We plan to recruit approximately 200 to 400 individuals for various positions, including management trainees, senior management, professionals for our property management services to non-residential properties such as schools and hospitals, our lifestyle services, our brand operation, business development and strategic acquisition and investment and several professional managers for our regional companies, in order to support our business expansion  We expect our hiring policy to continue to follow our historical hiring policies. We generally do not require working experience for management trainees, but would require certain years of relevant working experience for other positions depending on the seniority of the position. We would require or prefer the candidates to hold relevant qualifications and credentials for positions that require certain professional skills, such as programming, accounting, and others. The annual salary for an individual hire would range from RMB60,000 to RMB500,000, depending on the positions and the specific case of each hire	5.0%	-	39.4	-	9.8	9.8	9.9	9.9

## Corporate Governance and Other Information



Major Categories	% of		Sub-categories	Specific Plans	% of Total Proceeds	Actual use of net proceeds from the date of Listing to 30 June 2021 (HK\$ in millions)	Unutilised net proceeds as at 30 June 2021 (HK\$ in millions)	Expected timeframe of the intended use of net proceeds (HK\$ in millions)				
	Total Proceeds	Amount (HK\$ in millions)						Jul.-Dec. 2021	Jan.-Jun. 2022	Jul.-Dec. 2022	Jan.-Jun. 2023	Jul.-Dec. 2023
Working capital	10.0%	79.0	N/A	We expect to have increasing needs for working capital as a result of our expected rapid and organic expansion as well as diversifying service offerings and property portfolio under management	10.0%	0.2	78.8	78.8	-	-	-	-
	100.0%	790.0			100.0%	0.2	789.8	443.3	184.1	103.5	27.5	31.4

The remaining net proceeds raised from Listing which had not been utilized were deposited with well-established and licensed commercial banks and authorized financial institutions. The expected timeframe for the unutilised net proceeds is based on the Directors' best estimation barring unforeseen circumstances, and would be subject to change based on the future development of the Company's business and the market conditions.

## PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

Except for the Company's Global Offering (including the partial exercise of over-allotment options) as defined and described in the Prospectus and the announcement of the Company dated 16 June 2021, the Company and its subsidiaries did not purchase, sell or redeem any of the listed securities of the Company from 1 January 2021 to the date of this interim report.

## CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

The Company does not have any disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

## SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and to the knowledge of the Directors of the Company, the Shares in public hands are no less than 25% of the entire share capital in issue as at the date of this interim report.

## SUBSEQUENT EVENTS

No material events were taken place subsequent to 30 June 2021 and up to this interim report.

## AUDIT COMMITTEE

The audit committee of the Company, together with the management of the Company, has reviewed this interim report and the unaudited condensed consolidated interim results for the six months ended 30 June 2021. The audit committee has also reviewed the effectiveness of risk management and internal control system of the Company, and considered the risk management and internal control system to be effective and adequate.

## TO THE BOARD OF DIRECTORS OF NEW HOPE SERVICE HOLDINGS LIMITED

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

### Introduction

We have reviewed the interim financial report set out on pages 32 to 52 which comprises the consolidated statement of financial position of New Hope Service Holdings Limited (the "Company") as of 30 June 2021 and the related consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and condensed consolidated cash flow statement for the six month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard 34, *Interim financial reporting*, issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of the interim financial report in accordance with International Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### Scope of review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2021 is not prepared, in all material respects, in accordance with International Accounting Standard 34, *Interim financial reporting*.

### Other matter

Without modifying our review conclusion, we draw your attention that the comparative consolidated statement of profit or loss and other comprehensive income and the comparative consolidated statement of changes in equity and the consolidated cash flow statement for the six months ended 30 June 2020 and related notes disclosed in the interim financial report have not been reviewed in accordance with Hong Kong Standard on Review Engagement 2410.

### KPMG

*Certified Public Accountants*  
8th Floor, Prince's Building  
10 Chater Road  
Central, Hong Kong

20 August 2021

# Consolidated statement of profit or loss and other comprehensive income

for the six months ended 30 June 2021 – unaudited  
(Expressed in Renminbi (“RMB”))

	Note	Six months ended 30 June	
		2021 RMB'000	2020 RMB'000
<b>Revenue</b>	4	402,847	229,343
Cost of sales		(231,007)	(129,953)
<b>Gross profit</b>		171,840	99,390
Other net income	5	2,465	411
Selling expenses		(1,567)	(682)
Administrative expenses		(101,312)	(45,304)
Expected credit loss on financial assets		(1,040)	(124)
<b>Profit from operations</b>		70,386	53,691
Finance expenses		(2,196)	(22,764)
Finance income		1,340	21,243
Finance costs, net	6(a)	(856)	(1,521)
Share of profits less losses of an associate		274	14
<b>Profit before taxation</b>	6	69,804	52,184
Income tax	7	(10,907)	(8,636)
<b>Profit for the period</b>		58,897	43,548
<b>Other comprehensive income for the period (after tax and reclassification adjustments):</b>			
Item that may not be reclassified subsequently to profit or loss:			
Exchange differences on translation of:			
– financial statements of overseas subsidiaries		(23)	–
<b>Other comprehensive income for the period</b>		(23)	–
<b>Total comprehensive income for the period</b>		58,874	43,548
<b>Earnings per share</b>			
Basic and diluted (RMB)	8	0.09	0.08

The notes on pages 38 to 52 form part of this interim financial report.

# Consolidated statement of financial position

at 30 June 2021 – unaudited  
(Expressed in RMB)

	<i>Note</i>	30 June 2021 RMB'000	31 December 2020 RMB'000
<b>Non-current assets</b>			
Investment properties	9	104,536	71,680
Property, plant and equipment	10	16,046	17,098
Intangible assets		9,424	5,799
Interests in an associate		1,917	1,643
Other financial assets		30	30
Deferred tax assets		5,613	7,386
		137,566	103,636
		137,566	103,636
<b>Current assets</b>			
Inventories		435	299
Due from related companies		–	173,402
Prepayments, deposits and other receivables	11	59,899	38,122
Trade receivables	12	171,651	163,103
Current tax recoverable		10,958	–
Cash and cash equivalents	13	1,073,837	112,614
		1,316,780	487,540
		1,316,780	487,540
<b>Current liabilities</b>			
Trade payables	14	62,945	43,653
Other payables and accruals	15	226,557	172,175
Contract liabilities	16	238,633	161,706
Due to related companies		2,050	43
Current taxation		–	12,174
Lease liabilities		9,378	7,245
		539,563	396,996
		539,563	396,996
<b>Net current assets</b>		777,217	90,544
<b>Total assets less current liabilities</b>		914,783	194,180

The notes on pages 38 to 52 form part of this interim financial report.

## Consolidated statement of financial position

at 30 June 2021 – unaudited  
(Expressed in RMB)

		30 June 2021 RMB'000	31 December 2020 RMB'000
	<i>Note</i>		
<b>Non-current liabilities</b>			
Lease liabilities		66,572	46,354
Deferred tax liabilities		2,359	2,528
		<u>68,931</u>	<u>48,882</u>
<b>NET ASSETS</b>		<u>845,852</u>	<u>145,298</u>
<b>CAPITAL AND RESERVES</b>			
Share capital	17	6,741	*
Reserves		839,111	145,298
<b>TOTAL EQUITY</b>		<u>845,852</u>	<u>145,298</u>

\* The balance represents an amount less than RMB1,000.

The notes on pages 38 to 52 form part of this interim financial report.

# Consolidated statement of changes in equity

for the six months ended 30 June 2021 – unaudited  
(Expressed in RMB)

	Share capital RMB'000	Share premium RMB'000	Capital reserve RMB'000	Statutory surplus reserves RMB'000	Retained profits RMB'000	Total equity RMB'000
<b>Balance at 1 January 2020</b>	–	–	62,994	7,065	353,175	423,234
<b>Changes in equity for the six months ended 30 June 2020:</b>						
Profit and total comprehensive income for the period	–	–	–	–	43,548	43,548
<b>Balance at 30 June 2020 and 1 July 2020</b>	–	–	62,994	7,065	396,723	466,782
<b>Changes in equity for the six months ended 31 December 2020:</b>						
Profit and total comprehensive income for the period	–	–	–	–	66,222	66,222
Issue of shares 17(b)	*	–	–	–	–	*
Equity settled share-based payments	–	–	7,357	–	–	7,357
Appropriation to statutory reserve	–	–	–	9,537	(9,537)	–
Consideration paid for business combinations under common control	–	–	–	–	(79,350)	(79,350)
Dividends declared to the then shareholders 17(a)	–	–	–	–	(315,713)	(315,713)
<b>Balance at 31 December 2020</b>	*	–	70,351	16,602	58,345	145,298

\* The balance represents an amount less than RMB1,000.

The notes on pages 38 to 52 form part of this interim financial report.

## Consolidated statement of changes in equity

for the six months ended 30 June 2021 – unaudited  
(Expressed in RMB)

	Share Capital RMB'000 (note 17(b))	Share premium RMB'000	Capital reserve RMB'000	Statutory surplus reserves RMB'000	Exchange reserve RMB'000	Retained profits RMB'000	Total equity RMB'000
<b>Balance at 1 January 2021</b>	*	–	70,351	16,602	–	58,345	145,298
<b>Changes in equity for the six months ended 30 June 2021:</b>							
Profit for the period	–	–	–	–	–	58,897	58,897
Other comprehensive income	–	–	–	–	(23)	–	(23)
Profit and total comprehensive income for the period	–	–	–	–	(23)	58,897	58,874
Issue of shares	17(b) *	114,803	–	–	–	–	114,803
Capitalisation issue	17(b) 4,968	(4,968)	–	–	–	–	–
Issue of ordinary shares upon initial public offering, net of issuing costs	17(b) 1,773	640,201	–	–	–	–	641,974
Deemed distribution (note (i))	–	–	(115,097)	–	–	–	(115,097)
<b>Balance at 30 June 2021</b>	<b>6,741</b>	<b>750,036</b>	<b>(44,746)</b>	<b>16,602</b>	<b>(23)</b>	<b>117,242</b>	<b>845,852</b>

\* The balance represents an amount less than RMB1,000.

Note:

- (i) The deemed distribution represents the considerations paid to the then shareholders to acquire equity interests in New Hope Property Service Group Co., Ltd. pursuant to the reorganisation prior to listing as detailed in the Company's prospectus dated 11 May 2021 (the "Prospectus").

The notes on pages 38 to 52 form part of this interim financial report.

# Condensed consolidated cash flow statement

for the six months ended 30 June 2021 – unaudited  
(Expressed in RMB)

	Note	Six months ended 30 June	
		2021 RMB'000	2020 RMB'000
<b>Operating activities</b>			
Cash generated from operations		181,485	92,959
Income taxes paid		(21,477)	(2,982)
<b>Net cash generated from operating activities</b>		<u>160,008</u>	<u>89,977</u>
<b>Investing activities</b>			
Interest received		1,340	1,161
Proceeds on disposal of property, plant and equipment		384	–
Purchases of property, plant and equipment		(15,936)	(5,455)
Purchases of intangible assets		(4,377)	(875)
Repayment of advances to related parties		173,402	89,567
<b>Net cash generated from investing activities</b>		<u>154,813</u>	<u>84,398</u>
<b>Financing activities</b>			
Proceeds from issue of shares		114,803	–
Proceeds from issue of ordinary shares upon initial public offering, net of issuing costs		648,676	–
Deemed distribution arising from the reorganisation		(115,097)	–
Repayment of long-term borrowings		–	(50,120)
Capital element of leases rentals paid		(211)	(3,558)
Interest element of leases rentals paid		(25)	(437)
Interests paid		(1,254)	(22,700)
Advances from/(repayment of advances from) related parties		2,007	(8,901)
Listing expense paid		(2,605)	–
<b>Net cash generated/(used in) from financing activities</b>		<u>646,294</u>	<u>(85,716)</u>
<b>Net increase in cash and cash equivalents</b>		961,115	88,659
<b>Cash and cash equivalents at 1 January</b>	13	112,614	49,347
<b>Effect of foreign exchange rate changes</b>		108	–
<b>Cash and cash equivalents at 30 June</b>	13	<u>1,073,837</u>	<u>138,006</u>

The notes on pages 38 to 52 form part of this interim financial report.

# Notes to the unaudited interim financial report

(Expressed in RMB unless otherwise indicated)

## 1 Corporation information

New Hope Service Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 5 November 2020 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

The Company is an investment holding company and has not carried on any business operations since the date of its incorporation. The Company and its subsidiaries (together, “the Group”) are principally engaged in property management services, value-added services to non-property owners, commercial operational services and lifestyle in the People’s Republic of China (the “PRC”). The Company’s shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 25 May 2021.

The immediate parent of the Group is Golden Rose Developments Limited, a company incorporated under the laws of British Virgin Islands (“BVI”). The ultimate controlling party of the Group are Mr. Liu Yonghao and Ms. Liu Chang (collectively the “Ultimate Owners”).

## 2 Basis of preparation

This interim financial report of the Company has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*, issued by the International Accounting Standards Board (“IASB”). It was authorised for issue on 20 August 2021.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the historical financial information included in the accountants’ report disclosed in the appendix I (“Appendix I”) to the Prospectus except for the accounting policy changes that are expected to be reflected in the 2021 annual financial statements. Details of any changes in accounting policies are set out in note 3.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the historical financial information included in Appendix I to the Prospectus. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with International Financial Reporting Standards (“IFRSs”).

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG’s independent review report to the Board of Directors is included on page 31.

The financial information relating to the financial year ended 31 December 2020 that is included in the interim financial report as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from the financial information for the year ended 31 December 2020 included in Appendix I of the Prospectus.

## Notes to the unaudited interim financial report

(Expressed in RMB unless otherwise indicated)

### 3 Changes in accounting policies

The Group has applied the following amendments to IFRSs issued by the HKICPA to this interim financial report for the current accounting period:

- Amendment to IFRS 16, *Covid-19-related rent concessions beyond 30 June 2021*
- Amendments to IFRS 9, HKAS 39, IFRS 7, IFRS 4 and IFRS 16, *Interest rate benchmark reform – phase 2*

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in this interim financial report. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

### 4 Revenue and segment reporting

#### (a) Revenue

The principal activities of the Group are property management services, value-added services to non-property owners, commercial operational services and lifestyle services.

#### (i) Disaggregation of revenue

	Six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
<b>Type of Revenue</b>		
Revenue from contracts with customers within the scope of IFRS 15		
– Over time	321,251	195,948
– A point in time	68,796	27,369
Revenue from other sources		
– Rental income from investment properties	12,800	6,026
Total	402,847	229,343
<b>Type of services</b>		
– Property management services	145,940	81,109
– Value-added services to non-property owners	101,319	63,996
– Commercial operational services	66,177	51,226
– Lifestyle services	89,411	33,012
Total	402,847	229,343

For the six months ended 30 June 2020 and 2021, revenue from New Hope Group Co., Ltd. and its subsidiaries contributed 22.3% and 21.1%, respectively of the Group's revenue. Other than New Hope Group Co., Ltd. and its subsidiaries, the Group's customer base is diversified and none of them contributed 10% or more of the Group's revenue during the reporting period.

## Notes to the unaudited interim financial report

(Expressed in RMB unless otherwise indicated)

### 4 Revenue and segment reporting (continued)

#### (a) Revenue (continued)

##### (ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

For property management services, value-added services to non-property owners and commercial operational services, the Group recognises revenue when the services are provided on monthly basis and recognises to which the Group has a right to invoice and that corresponds directly with the value of performance completed. The Group has elected the practical expedient for not to disclose the remaining performance obligations for this type of contracts.

For lifestyle services, there is no significant unsatisfied performance obligation at the end of respective reporting periods.

#### (b) Segment reporting

The Group manages its businesses by divisions, which are organised by a mixture of business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment. The accounting policies applied in determining segment revenue and segment results of the operating segments are the same as the Group's accounting policies. Segment results represent the profit earned by each segment without allocation of central administrative costs. The chief operating decision maker ("CODM") considers the Group has four operating and reportable segments which are based on the internal organisation and reporting structure. This is the basis upon which the Group is organised.

The Group's operating and reportable segments are as follows:

- Property management services: this segment provides property management services to residential properties, commercial properties and other types of non-residential properties.
- Value-added services to non-property owners: this segment provides value-added services to non-property owners, including preliminary planning, design consultancy and pre-delivery services and sales office management.
- Commercial operational services: this segment provides market research and positioning and tenant sourcing services and commercial operation services and commercial properties leasing.
- Lifestyle services: this segment provides community operation services and community asset management services and online and offline retail services and catering services and marketing consultancy services and community space operational services.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. Central administrative expenses or assistance provided by one segment to the other, including sharing of assets and technical know-how, is not measure in respective operating segment. The measure used for reporting segment profit is gross profit.

No analysis of segment assets and segment liabilities is presented as these information are not regularly provided to the CODM for review.

## Notes to the unaudited interim financial report

(Expressed in RMB unless otherwise indicated)

### 4 Revenue and segment reporting (continued)

#### (b) Segment reporting (continued)

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

	Property management services RMB'000	Value-added services to non-property owners RMB'000	Commercial operational services RMB'000	Lifestyle services RMB'000	Total RMB'000
<b>For the six months ended 30 June 2021</b>					
Segment revenue	145,940	101,319	66,177	89,411	402,847
Segment gross profits	45,542	41,291	43,403	41,604	171,840
Central administrative costs					(102,036)
Profit before taxation					69,804

	Property management services RMB'000	Value-added services to non-property owners RMB'000	Commercial operational services RMB'000	Lifestyle services RMB'000	Total RMB'000
<b>For the six months ended 30 June 2020</b>					
Segment revenue	81,109	63,996	51,226	33,012	229,343
Segment gross profits	26,214	27,002	35,212	10,962	99,390
Central administrative costs					(47,206)
Profit before taxation					52,184

## Notes to the unaudited interim financial report

(Expressed in RMB unless otherwise indicated)

### 5 Other net income

	Six months ended 30 June	
	2021 RMB'000	2020 RMB'000
Government grants	2,042	1,991
Valuation losses on investment properties	(1,743)	(2,815)
Others	2,166	1,235
Total	<u>2,465</u>	<u>411</u>

### 6 Profit before taxation

Profit before taxation is arrived at after charging:

#### (a) Finance costs, net

	Six months ended 30 June	
	2021 RMB'000	2020 RMB'000
Interest income	(1,340)	(21,243)
Interest expenses	–	21,982
Interest on lease liabilities	2,054	477
Others	142	305
Total	<u>856</u>	<u>1,521</u>

#### (b) Staff costs

	Six months ended 30 June	
	2021 RMB'000	2020 RMB'000
Salaries, wages and other benefits	204,140	125,473
Contributions to defined contribution retirement plan	8,683	2,685
Total	<u>212,823</u>	<u>128,158</u>

## Notes to the unaudited interim financial report

(Expressed in RMB unless otherwise indicated)

### 6 Profit before taxation (continued)

#### (c) Other items

	Six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
Amortisation of intangible assets	909	676
Depreciation charge of property, plant and equipment	3,004	2,753
Expected credit loss on financial assets	1,040	124
Listing expenses	24,371	–
Expenses relating to short-term leases	1,600	1,686

### 7 Income tax

(a) Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

	Six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
<b>Current tax – PRC Corporate Income Tax</b>		
Provision for the period	9,303	8,606
<b>Deferred tax</b>		
Origination and reversal of temporary differences	1,604	30
	<u>10,907</u>	<u>8,636</u>

Pursuant to the tax rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

No provision for Hong Kong Profits Tax has been made as the Group did not earn any income subject to Hong Kong Profits Tax during the reporting period.

The provision for PRC current income tax is based on a statutory rate of 25% of the assessable profit as determined in accordance with the relevant income tax rules and regulations of the PRC.

Certain subsidiaries of the Group established in the PRC obtained approval from the respective tax bureau that they are entitled to tax benefits applicable to entities under the Western Region Development Plan of the PRC, and enjoy a preferential PRC Corporate Income Tax rate of 15% till 31 December 2030.

Certain subsidiaries have been approved as Small Low-profit Enterprises (“SLE”). The entitled subsidiaries are subject to a preferential income tax rate of 5% or 10% in certain years.

## Notes to the unaudited interim financial report

(Expressed in RMB unless otherwise indicated)

### 8 Earnings per share

	Six months ended 30 June	
	2021 RMB'000	2020 RMB'000
<b>Profits</b>		
Profit attributable to equity shareholders of the Company	58,897	43,548

	Six months ended 30 June	
	2021 '000	2020 '000
<b>Number of shares</b>		
Weighted average number of ordinary shares	640,706	562,800

Weighted average of 640,706,000 ordinary shares for the six months ended 30 June 2021, includes the weighted average of 200,000,000 ordinary shares and 14,126,000 ordinary shares issued immediately after the completion of placing and the exercise of the over-allotment option, in addition to the 600,000,000 ordinary shares, being the number of shares in issue immediately after the completion of capitalisation issue in May 2021 as detailed in Note 17, deemed to have been issued throughout the year ended 31 December 2020 and the period from 1 January 2021 to the date before the capitalisation issue, adjusted by the shares issued by the Group in 2020 and 2021.

Diluted earnings per share were the same as the basic earnings per share as the Group had no dilutive potential shares for the six months ended 30 June 2021 and 2020.

### 9 Investment properties

	Leased Properties – owned RMB'000	Right-of-use assets RMB'000	Total RMB'000
<b>Fair value</b>			
At 31 December 2020	13,291	58,389	71,680
Additions	12,814	21,785	34,599
Change in fair value	1,754	(3,497)	(1,743)
At 30 June 2021	27,859	76,677	104,536

## 9 Investment properties (continued)

### (a) Right-of-use assets

During the reporting period, the Group leased certain commercial properties located in Kunming, Wenzhou, and Chengdu the PRC, from property owners and subleased to tenants through operating leases to earn rental income. The right-of-use assets of the leases are determined to meet the definition of investment property.

### (b) Fair value of properties

The following table presents the fair value of the Group's properties measured at the end of the reporting period on a recurring basis, categorized into the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

		Fair value as at 30 June 2021 RMB'000	Fair value as at 31 December 2020 RMB'000
Investment properties located in the PRC	<i>Level 3</i>	104,536	71,680

During the period ended 30 June 2021, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

## Notes to the unaudited interim financial report

(Expressed in RMB unless otherwise indicated)

### 9 Investment properties (continued)

#### (b) Fair value of properties (continued)

All of the Group's investment properties were revalued as at 30 June 2021. The following table gives information about how the fair values of these investment properties are determined (in particular, the valuation techniques and inputs used).

	Valuation techniques	Unobservable input	Range
Investment properties			
– Car parks	Market approach	Market transaction price	Market price per sq.m., 30 June 2021: RMB1,176-RMB1,970 31 December 2020: RMB1,543-RMB2,983
– Retail stores	Income approach	Capitalisation rate	Capitalisation rate, 30 June 2021: 6% 31 December 2020: 6%

The fair value of investment properties is based on determined income approach or market approach. Under the income approach, the fair value of investment properties is estimated based on capitalisation rate, unit rent and remaining lease term. The unit rent mainly made reference to the rents in existing lease. Under the market approach, the fair value is estimated based on comparable transactions for properties in similar location, accessibility, age, quality, size and other factors.

### 10 Property, plant and equipment

During the six months ended 30 June 2021, the Group acquired items of plant and machinery with a cost of RMB7,677,000 (2020: RMB14,201,000). Items of plant and machinery with a net book value of RMB384,000 were disposed of during the six months ended 30 June 2021 (2020: RMB1,015,000), resulting in a loss on disposal of nil (six months ended 30 June 2020: nil).

## Notes to the unaudited interim financial report

(Expressed in RMB unless otherwise indicated)

### 11 Prepayments, deposits and other receivables

	At 30 June 2021 RMB'000	At 31 December 2020 RMB'000
Prepaid other taxes	4,274	664
Prepayments	14,376	10,620
Receivables from tenants and staff	11,794	10,336
Deposits	8,656	7,211
Other receivables	21,297	9,977
Less: Allowance for other receivables	(498)	(686)
	<u>59,899</u>	<u>38,122</u>

### 12 Trade receivables

	At 30 June 2021 RMB'000	At 31 December 2020 RMB'000
Trade receivables from related companies	47,694	74,183
Trade receivables from external customers	126,675	90,715
Less: Allowance for trade receivables	(2,718)	(1,795)
	<u>171,651</u>	<u>163,103</u>

#### (a) Ageing analysis

As of the end of each reporting period, the ageing analysis of trade receivable based on the date of revenue recognition and net of allowance for impairment of trade receivables is as follows:

	At 30 June 2021 RMB'000	At 31 December 2020 RMB'000
Within 1 year	169,949	161,196
1 to 2 years	1,325	1,362
2 to 3 years	122	427
3 to 4 years	255	118
	<u>171,651</u>	<u>163,103</u>

## Notes to the unaudited interim financial report

(Expressed in RMB unless otherwise indicated)

### 13 Cash and cash equivalents

	At 30 June 2021 RMB'000	At 31 December 2020 RMB'000
Cash at bank	1,073,627	111,324
Cash on hand	30	34
Deposits in other financial institutions	180	1,256
	<u>1,073,837</u>	<u>112,614</u>

### 14 Trade payables

As of the end of the reporting period, the ageing analysis of trade creditors and bills payables, based on the invoice date, is as follows:

	At 30 June 2021 RMB'000	At 31 December 2020 RMB'000
Within 1 year	62,130	42,707
1 to 2 years	62	152
2 to 3 years	60	80
Over 3 years	693	714
	<u>62,945</u>	<u>43,653</u>
Total creditors and bills payable		

### 15 Other payables

	At 30 June 2021 RMB'000	At 31 December 2020 RMB'000
Other taxes and charges payable	12,248	14,812
Accrued payroll and other benefits	29,322	23,065
Deposits	84,767	72,132
Receipts on behalf of residents/tenants	80,454	54,757
Other payables and accruals	19,766	7,409
	<u>226,557</u>	<u>172,175</u>

## Notes to the unaudited interim financial report

(Expressed in RMB unless otherwise indicated)

### 16 Contract liabilities

	At 30 June 2021 RMB'000	At 31 December 2020 RMB'000
Billings in advance of performance		
– Related companies	74,663	7,027
– External customers	163,970	154,679
	<u>238,633</u>	<u>161,706</u>

### 17 Capital, reserves and dividends

#### (a) Dividends

No dividend has been declared by the Company for the six months ended 30 June 2021.

Dividends of RMB315,713,000 have been declared and fully paid by the Group to the then shareholders during the year ended 31 December 2020.

#### (b) Share capital

##### Authorised share capital

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 5 November 2020. As of the date of incorporation, the authorised share capital was HK\$380,000 divided into 38,000,000 ordinary shares with par value of HK\$0.01 each.

In accordance with the shareholders' resolution of the Company passed on 30 April 2021, the authorised share capital of the Company is increased from HK\$380,000 to HK\$25,000,000 divided into 2,500,000,000 shares with par value of HK\$0.01 each.

##### Issued share capital

Ordinary shares, Issued and fully paid

	Note	No. of shares	RMB
At 1 January 2021	(i)	100	1
Issuance of shares	(i)	9,900	83
Capitalisation issue	(ii)	599,990,000	4,967,557
Issuance of ordinary shares upon initial public offering	(iii)	200,000,000	1,655,880
Partial exercise of over-allotment option	(iv)	14,126,000	117,455
At 30 June 2021		<u>814,126,000</u>	<u>6,740,976</u>

## Notes to the unaudited interim financial report

(Expressed in RMB unless otherwise indicated)

### 17 Capital, reserves and dividends (continued)

#### (b) Share capital (continued)

##### Issued share capital (continued)

Ordinary shares, Issued and fully paid (continued)

(i) Issuance of shares

As of the date of incorporation, one share was issued and allotted to a shareholder of the Company. On the same date, the Company further issued and allotted 99 shares with par value of HK\$0.01 each to a shareholder of the Company.

On 8 January 2021, 8,980 shares, 620 shares and 300 shares were issued and allotted to shareholders of the Company with par value of HK\$0.01 each.

(ii) Capitalisation of shares

Pursuant to the resolutions of the shareholders passed on 30 April 2021, the directors were authorised to allot and issue a total of 599,990,000 shares, by way of capitalisation of the sum of HK\$5,999,900 (equivalent to RMB4,968,000) standing to the credit of the share premium account of the Company, credited as fully paid at the close of business on the business day immediately preceding the listing date to the shareholders as appearing on the register of members of the Company in proportion to their respective shareholdings.

(iii) Issuance of ordinary shares upon initial public offering

On 25 May 2021, the Company issued 200,000,000 shares with par value of HK\$0.01, at a price of HK\$3.80 per share by initial public offering. Net proceeds from such issue amounted to HK\$722,818,000 (equivalent to RMB598,450,000) out of which HK\$2,000,000 (equivalent to RMB1,656,000) and HK\$720,818,000 (equivalent to RMB596,794,000) were recorded in share capital and share premium respectively.

(iv) Partial exercise of over-allotment option

On 21 June 2021, pursuant to the partial exercise of the over-allotment option, the Company allotted and issued 14,126,000 shares with par value of HK\$0.01, at a price of HK\$3.80 per share. Net proceeds from such issue amounted to HK\$52,345,000 (equivalent to RMB43,524,000) out of which HK\$141,000 (equivalent to RMB117,000) and HK\$52,205,000 (equivalent to RMB43,407,000) were recorded in share capital and share premium respectively.

#### (c) Share premium

Share premium represents the difference between the total amount of the par value of shares issued and the amount of the net proceeds received from the equity shareholders.

## Notes to the unaudited interim financial report

(Expressed in RMB unless otherwise indicated)

### 18 Material related party transactions

#### (a) Significant related party transactions

During the reporting period, the Group entered into the following transactions with its related parties.

Nature of related party	Six months ended 30 June	
	2021 RMB'000	2020 RMB'000
<b><i>Provision of property management services and other services</i></b>		
– Companies controlled by the Ultimate Owners	86,855	54,057
– Associate of companies controlled by the Ultimate Owners	43,327	14,720
<b><i>Receiving services and cost sharing</i></b>		
– Companies controlled by the Ultimate Owners	720	4,867
<b><i>Interest income</i></b>		
– Companies controlled by the Ultimate Owners	4	413

#### (b) Balances with related parties

Apart from the amount due to ABS related borrowings as at 31 December 2020, the outstanding balances arising from above transactions are as follows:

	At 30 June 2021 RMB'000	At 31 December 2020 RMB'000
<b><i>Amounts due from related companies</i></b>		
– Companies controlled by the Ultimate Owners	–	173,402
<b><i>Trade receivables</i></b>		
– Companies controlled by the Ultimate Owners	47,694	74,183
<b><i>Trade payables</i></b>		
– Companies controlled by the Ultimate Owners	8,522	1,806
<b><i>Contract liabilities</i></b>		
– Companies controlled by the Ultimate Owners	74,663	7,027
<b><i>Amounts due to related companies</i></b>		
– Companies controlled by the Ultimate Owners	2,050	43

## Notes to the unaudited interim financial report

(Expressed in RMB unless otherwise indicated)

### 18 Material related party transactions (continued)

#### (c) Name and relationship with related parties

During the reporting period, transactions with the following parties are considered as material related party transactions:

Name of related party	Relationship with the Group
Sichuan New Hope Property Development Co., Ltd.* 四川新希望房地產開發有限公司	Company Controlled by the Ultimate Owners
Yongjia Wanxin Hengjin Real Estate Co., Ltd.* 永嘉萬新恒錦置業有限公司	Company Controlled by the Ultimate Owners
Jiaxing Xinchuan Real Estate Co., Ltd.* 嘉興新川置業有限公司	Company Controlled by the Ultimate Owners
Kunming Dashanghui Industry Co., Ltd.* 昆明大商匯實業有限公司	Company Controlled by the Ultimate Owners
Chengdu New Hope Real Estate Co., Ltd.* 成都新希望置業有限公司	Company Controlled by the Ultimate Owners
Shenyang New Hope Real Estate Co., Ltd.* 瀋陽新希望置業有限公司	Company Controlled by the Ultimate Owners
Naning Jinguan Real Estate Co., Ltd.* 南寧錦官置業有限公司	Company Controlled by the Ultimate Owners
Wenzhou Chengyu Real Estate Co., Ltd.* 溫州誠裕置業有限公司	Company Controlled by the Ultimate Owners
Nanning Dashanghui Industry Co., Ltd.* 南寧大商匯實業有限公司	Company Controlled by the Ultimate Owners
Chengdu Hengjilong Real Estate Co., Ltd.* 成都恒基隆置業有限公司	Company Controlled by the Ultimate Owners
Chengdu Huijiang Real Estate Co., Ltd.* 成都暉江置業有限公司	Company Controlled by the Ultimate Owners
Wenzhou Xinyu Real Estate Co., Ltd.* 溫州新裕置業有限公司	Associate of companies controlled by the Ultimate Owners
Kunming New Hope Real Estate Co., Ltd.* 昆明新希望置業有限公司	Associate of companies controlled by the Ultimate Owners
Jiaxing Xinjin Real Estate Co., Ltd.* 嘉興新錦置業有限公司	Associate of companies controlled by the Ultimate Owners
Chengdu Shenlong Property Development Co., Ltd.* 成都申瓏房地產開發有限公司	Associate of companies controlled by the Ultimate Owners
Sichuan New Hope Industry Co., Ltd.* 四川新希望實業有限公司	Associate of companies controlled by the Ultimate Owners

\* The English names of the companies which operate in the PRC are for reference only and have not been registered.