



## Colour Life Announces 2014 Interim Results

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### Starting a New Chapter after Debuting in HK Stock Market Fully Expanding All-rounded and Diversified Services

#### **Financial and Business Review**

- ✓ For the six months ended June 30, 2014, the total revenue increased by 49% YOY to approximately RMB163.4 million
- ✓ Gross profit grew by 82.4% YOY to approximately RMB108 million while gross profit margin increased by 12.1% YOY to approximately 66.1%
- ✓ Property management services earnings increased by 33.4% to approximately RMB95.6 million
- ✓ Community leasing, sales and other services earnings increased by 80.2% to approximately RMB32.7 million
- ✓ Engineering services earnings increased by 76.8% to approximately RMB35.1 million
- ✓ Profit before tax increased by 173.7% to approximately RMB89.9 million
- ✓ The Group's profit attributable to the owners increased by 206.9% to approximately RMB62 million
- ✓ The Company's bank balance and cash as at 30 June, 2014 was approximately RMB801.5 million, representing an increase of 448.6% as compared to that as at 30 June, 2013

(14 August 2014, Hong Kong) **Colour Life Services Group Co., Limited** ("Colour Life" or the "Company"; stock code 1778; with subsidiaries, the "Group"), the largest social community services operator in China, is pleased to announce its first unaudited interim results of the Company for the six months ended 30 June 2014 ("Reporting Period"). It is the first results report upon its successful listing on The Stock Exchange of Hong Kong Limited on 30 June 2014.

During the Reporting Period, the Group achieved a total revenue amounted to approximately RMB 163.4 million, representing an increase of 49.0% over the same period last year. The largest proportion of its business, property management services earnings increased by 33.4% to approximately RMB95.6 million. Gross profit was RMB108 million, representing an increase of 82.4%

as compared to the corresponding period of last year, while the gross profit margin grew by 12.1% to 66.1%. Profit attributable to owners of the Group was RMB62 million, representing an increase of 206.9% as compared to the corresponding period of last year.

**Mr. PAN Jun, Chairman and Non-executive Director of Colour Life**, commented, “In the first half of 2014, Colour Life leveraged its position as ‘China’s Largest Community Services Operator’ and adhered to its vision of ‘Service to Your Family’, which marked a significant milestone in its development. We converted physical communities into an Internet platform connecting online and offline worlds, outplaying the traditional property management model. On June 30, 2014, we were successfully listed on the Main Board of The Stock Exchange of Hong Kong, and the share price of the Company surged by 21.69% on the first trading day. As a result, the Company had not only become a new star of share issue of real estate companies in the Hong Kong capital market, but also gained high recognition of our unique business model by investors.”

“The successful listing started a new chapter for the development of Colour Life. It also represented a strategic move of further expansion and revenue enhancement; a major initiative of future improvement of the service quality and cost effectiveness as well as the development of the offline and online service platform, defining the leadership of Colour Life in the community service industry in China, ” **Mr. Pan** continued.

### **Starting a new chapter in the HK market, expanding with all-rounded and diversified services, and building a leading enterprise in community services**

#### **1. Made great strides by rapid expansion**

Capitalizing on the strong brand recognition and expandable business model, Colour Life achieved a rapid expansion in both projects and area under management through acquisitions and on a fully commissioned basis in the first half of 2014, which has continued to maintain a favorable position in the residential property management industry in China. As of June 30, 2014, Colour Life had 1,037 management service projects with an aggregate area of approximately 162 million sq.m., representing a growth of 68.6% and 76.8% as compared to 31 December, 2013, respectively. Meanwhile, Colour Life also provided consultancy services to residential community, which further expanded the coverage of our service platform.

#### **2. Standardized management to enhance service quality and realize cost effectiveness**

With the implementation of the business strategy of standardization, centralization and automation, Colour Life reconstructed its management projects using modern techniques and network technologies. It also encouraged complaints and continued to enhance service quality so as to provide property owners with a more convenient, secured and comfortable living experience, which

created a colorful community life and significantly increase customer satisfaction. Meanwhile, Colour Life also continued to strengthen the connection and coordination between the segment of acquisitions of additional management projects and the integration segment, as well as to shorten the integration process and accelerate the reconstruction of Colour Space 2.1 and the practical financial management. As of June 30, 2014, Colour Life introduced the reconstruction of Colour Space 2.1 for 240 management projects, and thus achieved better cost effectiveness.

### **3. Developed O2O value-added services through platform construction**

Leveraging the precise positioning of the needs of the residents from communities Colour Life managed or provided consultancy services to, Colour Life gradually integrated service resources by including living-related business services from various fields, such as basic maintenance (E-maintenance) and financial services (E-wealth management). The community service mobile application “Caizhiyun (彩之雲)” has been developed and promoted to build a micro-district 1km in radius for the community. This converted physical communities into an O2O platform that connects online and offline Internet services, and thus users of the community are provided with quality O2O service experience and enhanced user value.

### **4. Expedited the cultivation of talents and achieve advancements in our mechanisms to break through the bottleneck**

To sustain the rapidly developing momentum, Colour Life is eager to employ talents which are in line with the management system of the Company. Besides, the Company has organized workshops for directors and seminars for the senior management with a view to cultivate directors and senior management members, and has gradually promoted the experience sharing of frontline staff. Therefore, the Company has been able to meet its demand for talents while enhancing the service awareness and life skills of its staff. In addition, Colour Life also conducted a revolutionary repositioning on our frontline staff, advanced our remuneration mechanism and optimized the career paths for staff of all levels. These efforts have strengthened the abilities and passion of staff and break through the bottleneck in the Company's development.

### **Established an O2O platform, and building a harmonious community as an industry leader**

Property management not only refers to the management of an object but also the provision of services to people. Hence, Colour Life considered meeting customers' needs and enhancing customer satisfaction as their starting points and objectives. On top of basic services including security, cleaning and maintenance, Colour Life incorporated the extended services that meet daily living needs of property owners in the service scope of “Colour Life”. In particular, Colour Life utilized the characteristics of the Internet to reconstruct traditional properties and converted physical communities into an Internet platform based on a large data pool.

Looking ahead, Colour Life will continue to be at the forefront of the industry. With the close integration between the Internet and services and the establishment of an O2O platform, Colour Life will repay residents of the communities in bonus points through the extended innovative business platform of the industry chain. Furthermore, Colour Life will also lower traditional service fees but enhance our users' integrated experience, in a bid to provide higher quality of community services at a lower rate.

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#### **About Colour Life Services Group Co., Limited**

Colour Life Services Group Co., Limited is headquartered in Shenzhen, and it is a technology-based and integrated property services operating group covering property services, building intelligence, asset management and community services, thus becoming China's largest community service provider. In 2013, Colour Life was ranked second in terms of growth potential and 22nd in terms of overall strength among the top 100 property management companies in the PRC by China Index Academy. Through implementing business strategies of standardization, centralization and automation, Colour Life has been able to provide consistent and cost-efficient residential property management services, and has maintained its strong position in the PRC residential property management industry. Colour Life also focuses on developing an offline and online service platform connecting residents with local vendors, and has ample growth opportunities.

**This press release is distributed by Wonderful Sky Financial Group Limited on behalf of Colour Life.**

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