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祈福生活服務
CLIFFORD MODERN LIVING

CLIFFORD MODERN LIVING HOLDINGS LIMITED

祈福生活服務控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3686)

DISCLOSEABLE TRANSACTION: SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCTS

On 2 April 2018, the Group and the Bank entered into the First Wealth Management Agreement. Pursuant to the First Wealth Management Agreement, the Group from its internal resources used RMB15 million to subscribe for Wealth Management Products for a term of 293 days and with an expected annualized rate of return of 3.7%.

On 4 September 2018, the Group and the Bank entered into the Second Wealth Management Agreement. Pursuant to the Second Wealth Management Agreement, the Group from its internal resources used RMB7 million to subscribe for Wealth Management Products for a term of 225 days and with an expected annualized rate of return of 3.6%.

Each of the First Subscription and the Second Subscription, if calculated separately as a single transaction by itself, does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. However, under Rule 14.22 of the Listing Rules, at the time of the Second Subscription, such subscription shall be aggregated with the First Subscription as if they were one transaction. As at least one of the applicable percentage ratios calculated under Chapter 14 of the Listing Rules for the aggregated transaction amounts reached 5% or more but is less than 25%, the Second Subscription together with the First Subscription constitute a discloseable transaction of the Company pursuant to Chapter 14 of the Listing Rules and are subject to the relevant reporting and announcement requirements, but are exempt from the Shareholders' approval requirement under the Listing Rules.

I. THE TRANSACTIONS

On 2 April 2018, the Group and the Bank entered into the First Wealth Management Agreement. Pursuant to the First Wealth Management Agreement, the Group from its internal resources used RMB15 million to subscribe for Wealth Management Products for a term of 293 days and with an expected annualized rate of return of 3.7%. At the time of the First Subscription, its highest applicable percentage ratio is less than 5% and it was exempt from the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

On 4 September 2018, the Group and the Bank entered into the Second Wealth Management Agreement. Pursuant to the Second Wealth Management Agreement, the Group from its internal resources used RMB7 million to subscribe for Wealth Management Products for a term of 225 days and with an expected annualized rate of return of 3.6%.

II. PRINCIPAL TERMS OF THE SUBSCRIPTIONS OF WEALTH MANAGEMENT PRODUCTS

(A) The First Subscription

- Parties:**
- (1) 廣州市番禺祈福物業管理有限公司 (Guangzhou Panyu Clifford Property Management Co., Ltd.)*, a wholly-owned subsidiary of the Company
 - (2) the Bank, i.e. Guangzhou Panyu Clifford Branch of China Construction Bank

China Construction Bank is a State-owned commercial bank incorporated under the laws of the PRC. To the best of the Board's knowledge, information and belief having made all reasonable enquiries, China Construction Bank (including Guangzhou Panyu Clifford Branch) and its ultimate beneficial owner are not connected persons of the Group and are Independent Third Parties, other than the Group having received normal banking services from the Bank in its ordinary course of business. The principal business of China Construction Bank (including its Guangzhou Panyu Clifford Branch) includes the provision of corporate and individual services, capital management, asset management, investment banking, settlement within and outside of mainland China and other financial services.

Date of the First Wealth Management Agreement: 2 April 2018

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| Name of Product: | Ganyuan Capital-protected RMB Wealth Management Products* (“乾元-眾享”保本型人民幣理財產品) |
| Product type | unlisted financial products, including investments in bonds and money market instruments, bond assets and other assets which are in compliance with the relevant regulatory requirements |
| Product risk level (internal risk rating given by the Bank): | no risk or very low risk |
| Subscription amount: | RMB15 million |
| Term of Products: | 293 days (i.e. from 3 April 2018 to 21 January 2019) |
| Expected annualized rate of return: | 3.7% |
| Payment of principal and gain upon maturity: | Payment(s) of the principal shall be made during the fund raising period. Gain of the Products derived from the principal will be calculated according to number of days of investment at the actual annualized rate of return. Interests accrued during the fund raising period would not be regarded as part of the principal. |
| Early termination: | The Group does not have early termination right. The Bank has early termination right. In case of early termination by the Bank, interest on the Products shall accrue at the above rate of return for the actual subsisting term of the Products up to the date of early termination. |

(B) The Second Subscription

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| Parties: | <p>(1) 廣州市番禺祈福物業管理有限公司 (Guangzhou Panyu Clifford Property Management Co., Ltd.)*, a wholly-owned subsidiary of the Company</p> <p>(2) the Bank, i.e. Guangzhou Panyu Clifford Branch of China Construction Bank (and please refer to “The First Subscription – Parties” above for the description of the principal business activities of the Bank)</p> |
| Date of the Second Wealth Management Agreement: | 4 September 2018 |
| Name of Product: | Ganyuan Capital-protected RMB Wealth Management Products* (“乾元-眾享”保本型人民幣理財產品) |
| Product type | unlisted financial products, including investments in bonds and money market instruments, bond assets and other assets which are in compliance with the relevant regulatory requirements |
| Product risk level (internal risk rating given by the Bank): | no risk or very low risk |
| Subscription amount: | RMB7 million |
| Term of Products: | 225 days (i.e. from 5 September 2018 to 18 April 2019) |
| Expected annualized rate of return: | 3.6% |
| Payment of principal and gain upon maturity: | The term is same as that as summarised above for the First Subscription |
| Early termination: | The term is same as that as summarised above for the First Subscription |

III. RISK CONTROL MEASURES

Adhering to the principle of safeguarding the interests of all Shareholders and the Company, the Company gives priority to risk prevention. As such, the Company exercised stringent control and made prudent decision in respect of its subscription of wealth management products from banks (including the Bank). During the subsisting term of the Wealth Management Products, the Company has remained (and will continue to remain) in close contact with the Bank, pay attention to the utilization of the wealth management funds, strengthen risk control and supervision, with a view to ensuring the safety of wealth management funds.

IV. REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS, AND INFORMATION ABOUT THE GROUP

The Group is a service provider with a diversified service portfolio comprising six main service segments: property management services, renovation and fitting-out services, retail services, catering services, information technology services and ancillary living services.

The funds for subscription of Wealth Management Products are the Group's internal funds that are not required immediately for operation or capital expenditure purposes. The Subscriptions are considered to be part of the Group's treasury management to improve the utilisation of its funds. By way of the rational and effective utilization of such funds periodically, it is beneficial to the Group by improving the efficiency of fund usage and bringing higher return on capital. In addition, the Company has fully considered its fund needs for daily operations and capital expenditure when purchasing the Wealth Management Products and determining the subscription amount of the Products. The subscriptions of the Products will not affect the daily fund requirements of the Company.

The Board (including its independent non-executive Directors) are unanimously of the view that the terms of the Wealth Management Agreements entered into by the Company are on normal commercial terms which are fair and reasonable. The Wealth Management Agreements and transactions contemplated thereunder are in the interests of the Group and the Shareholders as a whole.

V. IMPLICATIONS UNDER THE LISTING RULES

Each of the First Subscription and the Second Subscription, if calculated separately as a single transaction by itself, does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. However, under Rule 14.22 of the Listing Rules, at the time of the Second Subscription, such subscription shall be aggregated with the First Subscription as if they were one transaction. The assets ratio applicable to the aggregated transaction as at the date of the Second Subscription is about 5.3% (i.e. reaching 5% or more, but less than 25%), and all other applicable percentage

ratios calculated under Chapter 14 of the Listing Rules for the aggregated transaction amounts are less than 5%. Accordingly, the Second Subscription together with the First Subscription constitute a discloseable transaction of the Company pursuant to Chapter 14 of the Listing Rules and are subject to the relevant reporting and announcement requirements, but are exempt from the Shareholders' approval requirement under the Listing Rules.

At the time of entering into the Wealth Management Agreements, the Subscriptions were considered by management of the Group to be part of the Group's treasury management to improve the utilisation of its funds, and the Subscriptions were then considered not to be subject to Chapter 14 of the Listing Rules. Accordingly, announcement on the Subscriptions was not made immediately after the date of the Second Subscription. However, as the Company has recently received further guidance and advice on the matter, the Board has resolved to publish this announcement in accordance with Chapter 14 of the Listing Rules.

VI. DEFINITIONS

In this announcement, the following terms shall have the following meanings unless the context otherwise requires:

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| “Bank” | Guangzhou Panyu Clifford Branch of China Construction Bank |
| “Board” | the board of Directors |
| “Company” | Clifford Modern Living Holdings Limited, a company incorporated in the Cayman Islands as an exempted company with limited liability and the issued shares of which are listed on The Stock Exchange of Hong Kong Limited (stock code: 3686) |
| “connected person(s)” | has the meaning ascribed thereto under the Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “First Subscription” | the Group's subscription of the Wealth Management Products of RMB15 million issued by China Construction Bank pursuant to the First Wealth Management Agreement |
| “First Wealth Management Agreement” | the wealth management products agreement dated 2 April 2018 and entered into between the Group and the Bank |
| “Group” | the Company and its subsidiaries |
| “Independent Third Parties” | third parties independent of the Company and its connected persons |

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| “Listing Rules” | Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited |
| “PRC” | People’s Republic of China, which for the purpose of this announcement excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Second Subscription” | the Group’s subscription of the Wealth Management Products of RMB7 million issued by China Construction Bank pursuant to the Second Wealth Management Agreement |
| “Second Wealth Management Agreement” | the wealth management products agreement dated 4 September 2018 and entered into between the Group and the Bank |
| “Shareholder(s)” | the shareholder(s) of the Company |
| “Subscriptions” | collectively, the First Subscription and the Second Subscription |
| “Wealth Management Agreements” | collectively, the First Wealth Management Agreement and the Second Wealth Management Agreement |
| “Wealth Management Products” or “Products” | the RMB denominated wealth management products subscribed by the Company pursuant to the First Wealth Management Agreement and/or the Second Wealth Management Agreement |
| “%” | per cent |

By Order of the Board
Clifford Modern Living Holdings Limited
MAN Lai Hung
Chairman and Chief Executive Officer

Hong Kong, 9 April 2019

As at the date of this announcement, the board of directors of the Company comprises Ms. MAN Lai Hung, Ms. HO Suk Mee and Ms. LIANG Yuhua as executive Directors; Mr. LIU Xing as non-executive Director; and Ms. LAW Elizabeth, Mr. HO Cham and Mr. MAK Ping Leung (alias Mr. MAK Wah Cheung) as independent non-executive Directors.

* *for identification purpose only*