



**建业新生活**  
CENTRAL CHINA NEW LIFE

香港股票代码  
9983.HK

# 2020 ANNUAL RESULTS INVESTOR PRESENTATION

CENTRAL CHINA NEW LIFE LIMITED (9983.HK)

29<sup>TH</sup> MARCH 2021



Disclaimer: This document is for reference only and the content of this document has not been independently verified and is provided only on a confidential basis to persons who may be interested in proposed transactions in the securities of Central China New Life Limited (the "Company"). This document is for the sole purpose of making presentations in connection with investor meetings and is subject to change without notice. The information contained in this presentation has not been independently verified. The Company makes no representations or warranties, express or implied, with respect to this document, and users should not rely on the accuracy, fairness or completeness of the information provided herein. Neither the Company, its affiliates nor any of its directors, officers, employees, consultants and representatives shall be liable for any damages arising from all information contained in this document or otherwise arising out of this document.

This presentation does not constitute or form any part of, and should not be construed as, an offer to sell or a solicitation of an offer to buy any securities in the United States or any other jurisdictions in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction, and no part of this presentation shall form the basis of or be relied upon in connection with any contract or commitment. No securities may be offered or sold in the United States absent registration or an applicable exemption from registration requirements. Any public offering of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the Company making the offer and its management and financial statements. No public offering of any securities is to be made by the Company in the United States. Specifically, this presentation does not constitute a "prospectus" within the meaning of the U.S. Securities Act of 1933, as amended.

By accepting this document, you agree to maintain absolute confidentiality regarding the information contained herein. The information herein is given to you solely for your own use and information, and no part of this document may be copied or reproduced, or redistributed or passed on, directly or indirectly, to any other person (whether within or outside your organization/firm) in any manner or published, in whole or in part, for any purpose. The distribution of this document may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions.

# Outline

- 1. Company Overview**
- 2. Business Performance**
- 3. Financial Summary**
- 4. Outlook and Strategies**



**建业新生活**  
CENTRAL CHINA NEW LIFE

香港股票代码  
9983.HK

1

# Company Overview



**建业新生活**  
CENTRAL CHINA NEW LIFE

香港股票代码  
9983.HK



## Central China New Life Limited

HKEx Code: 9983.HK

Central China New Life aims to create a new lifestyle services platform. Practicing the core value of “root in central China and benefit the people”, Central China New Life’s business covers three major segments including: property management and value-added services, lifestyle services, and commercial property management and consultation services, which cover property management, lifestyle, intelligent community, quality dwelling, customized tourism, exquisite hotels, commercial property management, agriculture development, cultural tourism operations, high-end membership clubs and other diversified businesses to create a service system that leads a new lifestyle. Through the membership benefit platform “Jianye+”, Central China New Life provides lifestyle services that covers all time, space and functions to **50 million** shopping mall passenger flow, **1.5 million** property owners, **150,000** students and parents, **100,000** employees and their families as well as about **22,000** members of Central China Consumers Club.

As the largest comprehensive lifestyle service provider in central China area, Central China New Life adheres to the corporate concept of “everything is customer-centred”, closely focuses on consumption upgrade and diverse needs of the people, promotes social progress and helps people live a better life.



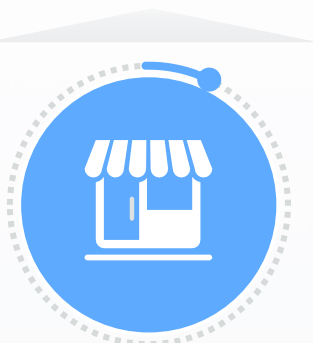
# Company Overview

A comprehensive service provider deeply rooted in central China region

Central China New Life is a comprehensive service provider deeply rooted in central China, focusing on meeting diverse needs of the customers and enriching the goods and services in the areas - **where people stay, where people travel, what people eat and how people entertain**

1 Property management and value-added services	2019	2020
Revenue (RMBm)	1,341	2,199
Revenue contribution	76.4%	82.8%
Gross profit margin	30.3%	31.3%
2018-2020 CAGR of revenue	88.2%	

- ❑ **Property management**
  - GFA under management: approx. 100.02 million sq.m.
- ❑ **Value-added services**
  - Community value-added services
  - Value-added services to non-property owners



2 Lifestyle services	2019	2020
Revenue (RMBm)	309	366
Revenue contribution	17.6%	13.8%
Gross profit margin	32.8%	32.7%
2018-2020 CAGR of revenue	142.7%	

- ❑ Jianye+ (建业+) platform (approx. **3.67m** registered users)
- ❑ Travel services (**4** types of travel packages)
- ❑ Cuisine Henan Foodcourts (**9** in operation)

3 Commercial property management and consultation services	2019	2020
Revenue (RMBm)	105	90
Revenue contribution	6.0%	3.4%
Gross profit margin	66.0%	60.0%
2018-2020 CAGR of revenue	184.1%	

- ❑ Hotel management (**9** hotels)
- ❑ Commercial property management and consultation services (**7** shopping malls)
- ❑ Cultural tourism complex management (**3** cultural tourism complexes)



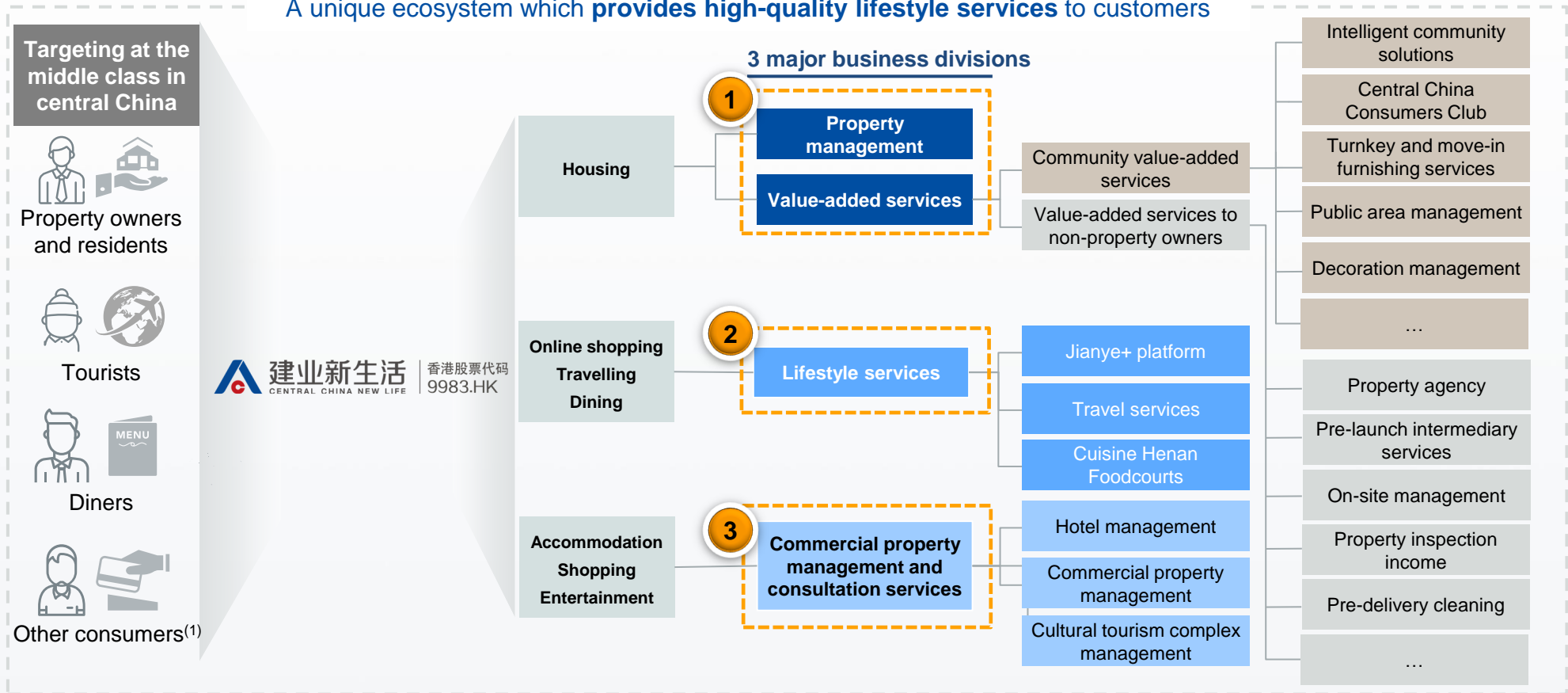
**2020**  
 Revenue: RMB **2,654m**  
 Gross Profit: RMB **861m**  
 Net Profit: RMB **441m**



## A proximate, connected and chained local lifestyle service platform

Leveraging on our brand recognition, broad customers base, rich resources and integrated O2O one-stop service platform, CCNL created an ecosystem that brings additional value to our customers, and is elementarily equipped with the capability of providing high-quality lifestyle services to our customers in all aspects

A unique ecosystem which provides high-quality lifestyle services to customers



(1) Consist of football fans of Jianye Football Club, teachers and parents of Central China Education and other consumers in the ecological circle of Central China New Life

# 2 Business Performance

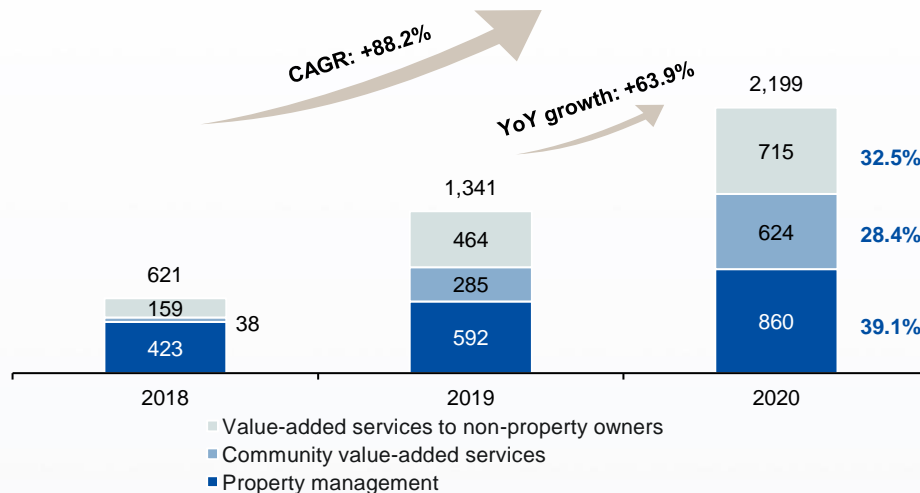


**建业新生活**  
CENTRAL CHINA NEW LIFE

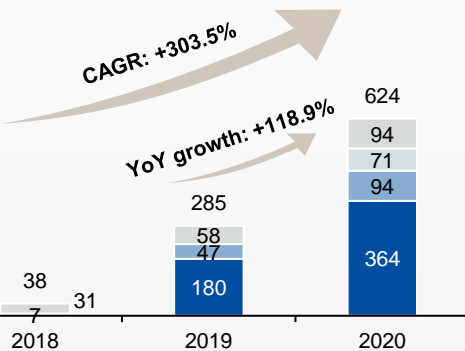
香港股票代码  
9983.HK



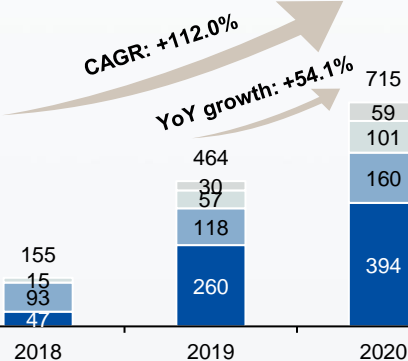
### Revenue of property management and value-added services (RMBm)













### Community value-added services (RMBm)



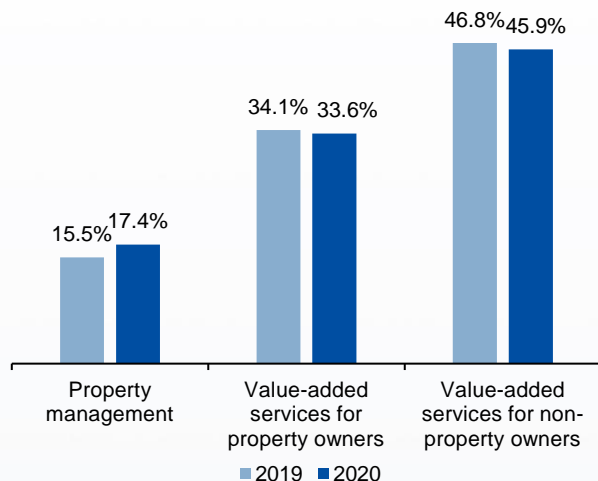
### Value-added services to non-property owners (RMBm)



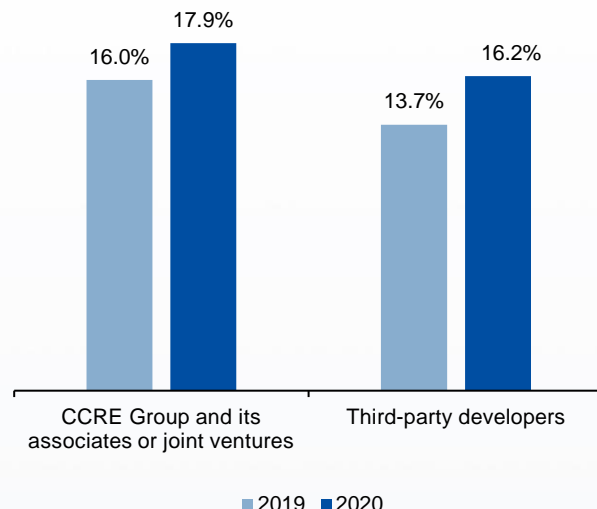
### Property management and value-added services

- 2020 GFA under management: **100m sq.m.**, contracted GFA: **187m sq.m.**
  - 
**75.8%** Percentage of newly added contracted GFA from third-parties
  - 
**41.1%** Percentage of non-residential properties
  - 
**4.76m sq.m.** GFA under management in a single city
  - 
**12<sup>th</sup>** Ranking in China PMC Top 100
- 860m RMB revenue from property management, **increased by 45.2% YoY**
  - 
**90%** FG Customer satisfaction rate
  - 
**5** Communities raised property management fee by 50%~100%
- 620m RMB revenue from community value-added services, **increased by 118.9% YoY**
  - 
**71.06m RMB** Newly added revenue from Turnkey and move-in furnishing services
  - 
**21,819** Central China Consumers Club members **increased by 86% YoY**; organized 2,487 activities
  - 
**102.2%** YoY revenue growth of intelligent community solutions, facilitated cost reduction and efficiency improvement
- 710m RMB revenue from value-added services to non-property owners, **increase by 54.1% YoY**
  - 
**20.59m RMB** Newly added revenue from pre-delivery cleaning service

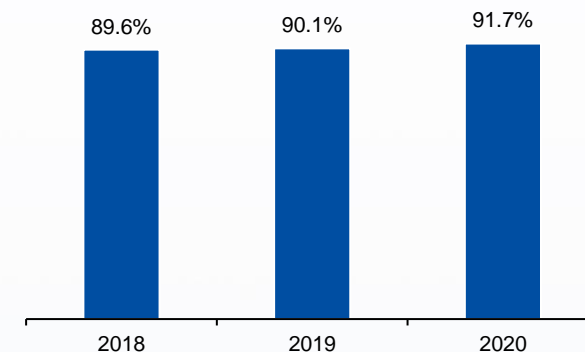
### GPM of property management and value-added services



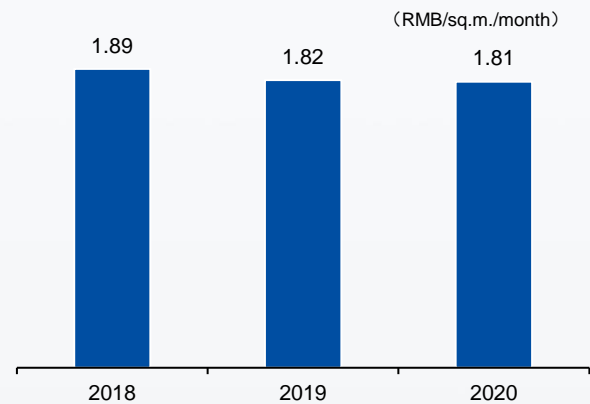
### GPM of property management projects



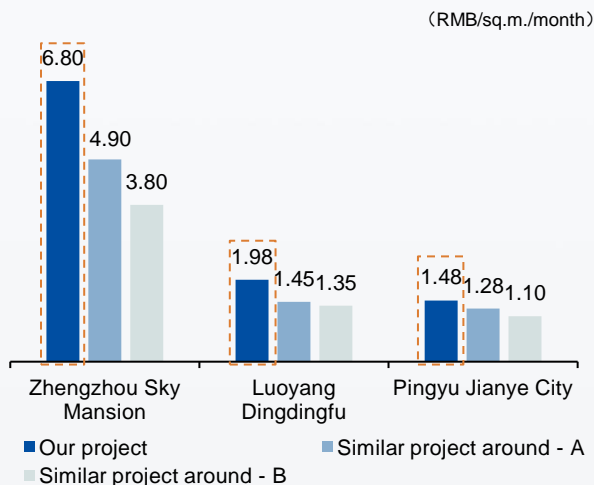
### Collection rate



### Average property management fee



### Comparison of property management fee by city



### Average property management fee (Categorized by source/city)

RMB/sq.m./month	2019	2020	Change
CCRE group and its associates or joint ventures	1.91	1.97	+3.1%
Third-party developers	1.42	1.52	+7.0%
Zhengzhou	3.12	3.14	+0.6%
Prefecture-level cities	1.55	1.63	+5.2%
County-level cities	1.44	1.45	+0.7%

## Property management activities

- In 2020, Central China Property Management's Happy Time Lane organized totally 6,450 activities, attracting 919,315 participants. Central China Happy League has 159 chapters with 2,893 members, covering nine categories including dance, travel, calligraphy, etiquette, chess and cards, art, sports, health, and parent-child



“Peony Pavilion”



Qixi Chinese Valentine's Day



Fanghua Party

## Central China Consumers Club

- As of the end of 2020, Central China Consumers Club has 21,819 members, increasing by 86% YoY, and organized 2,487 activities



Folk Music Festival



Tour of ancient villages along the Yellow River



East Zhengzhou CCCC<sup>(1)</sup> Community

## Consumer service special operation

- In August 2020, Central China New Life launched a special operation to improve consumer service
- Set up a special team / broadened communication channels / improved the complaint handling process / developed special programs
- 99% of complaints were answered immediately, 98.4% of complaints and 88% of historical or difficult customer complaints were resolved





## Empowered by high-tech, winning 32 honors

- 11 qualification Honors
- 11 association honors, active participation in the "China Green Intelligent Community Construction Guide" and "Research and Demonstration of Key Technologies for the Construction of Intelligent Building Information System"
- 5 national software copyrights
- 5 national intellectual property patents



Honors and certificates



Intelligent property management system



Guiding robot



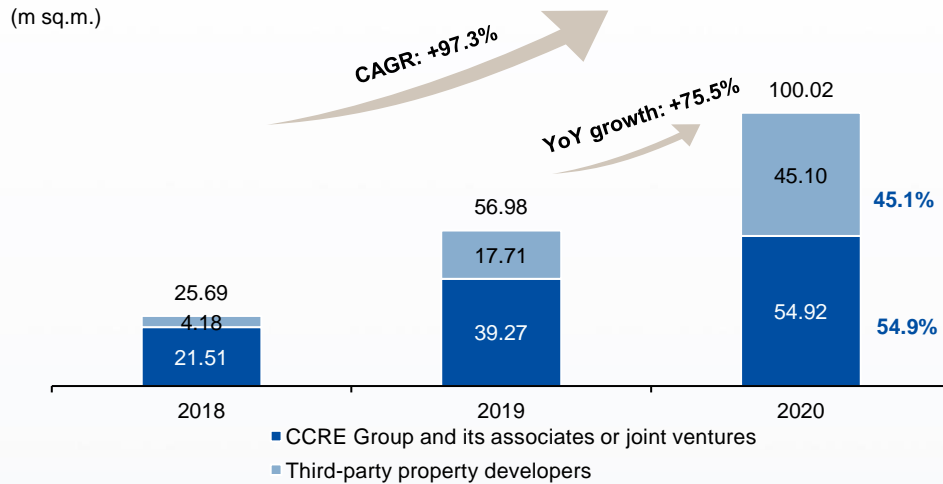
Community patrol robot



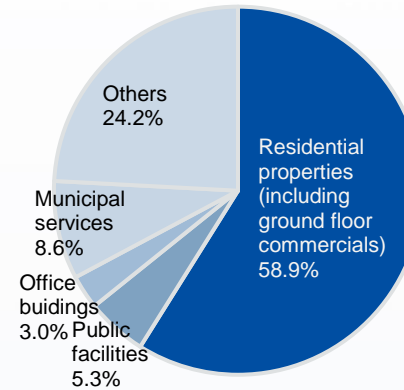
Cleaning robot

Applications of intelligent community

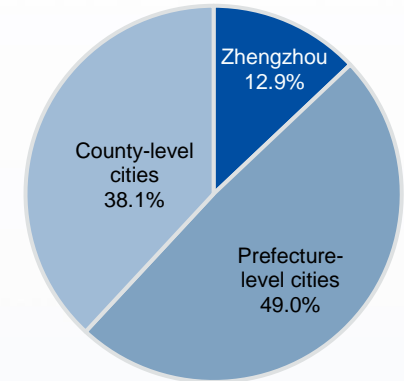
### GFA under management



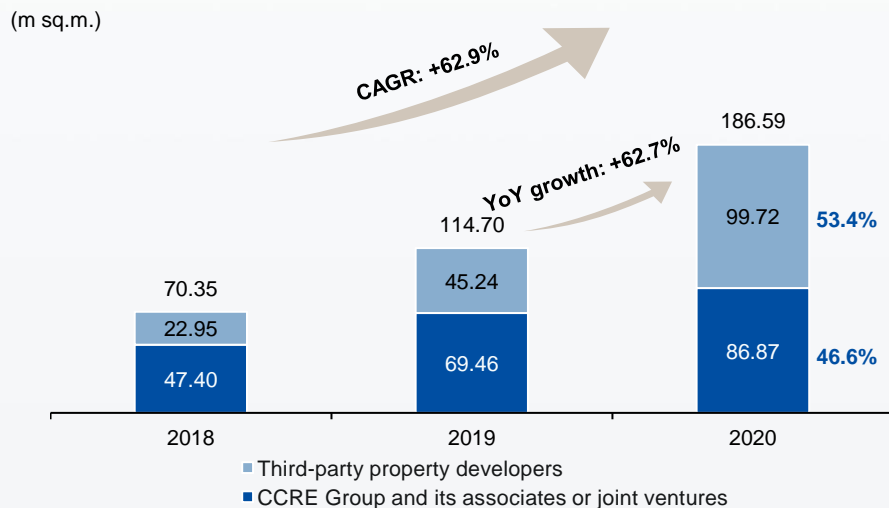
### GFA under management (by property type)



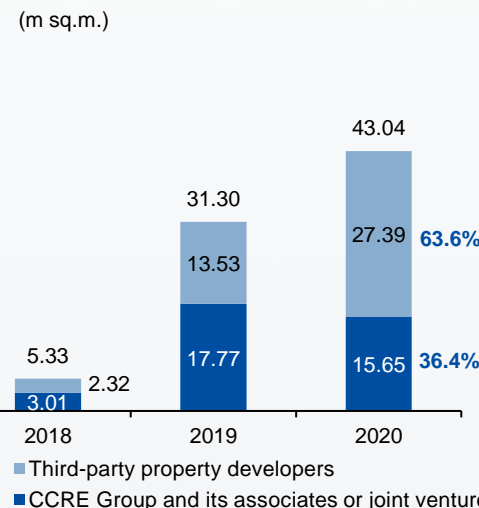
### Residential GFA under management (by city level)



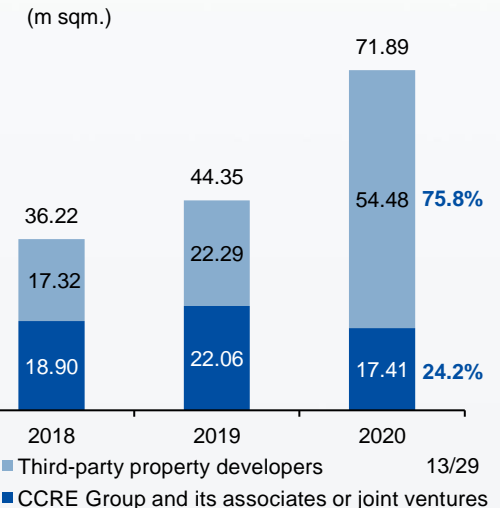
### Contracted GFA



### Newly added GFA under management

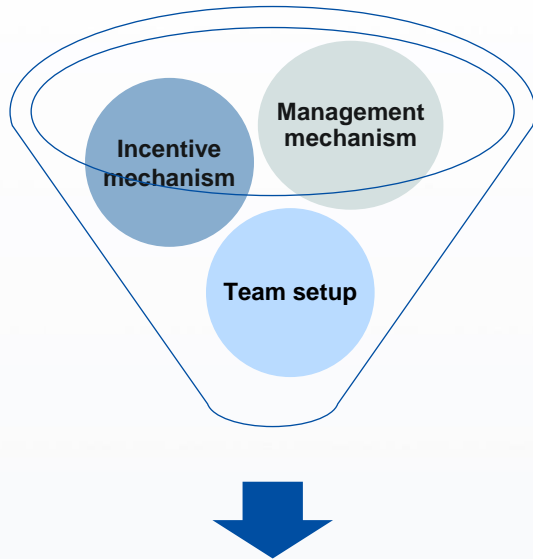





### Newly added contracted GFA



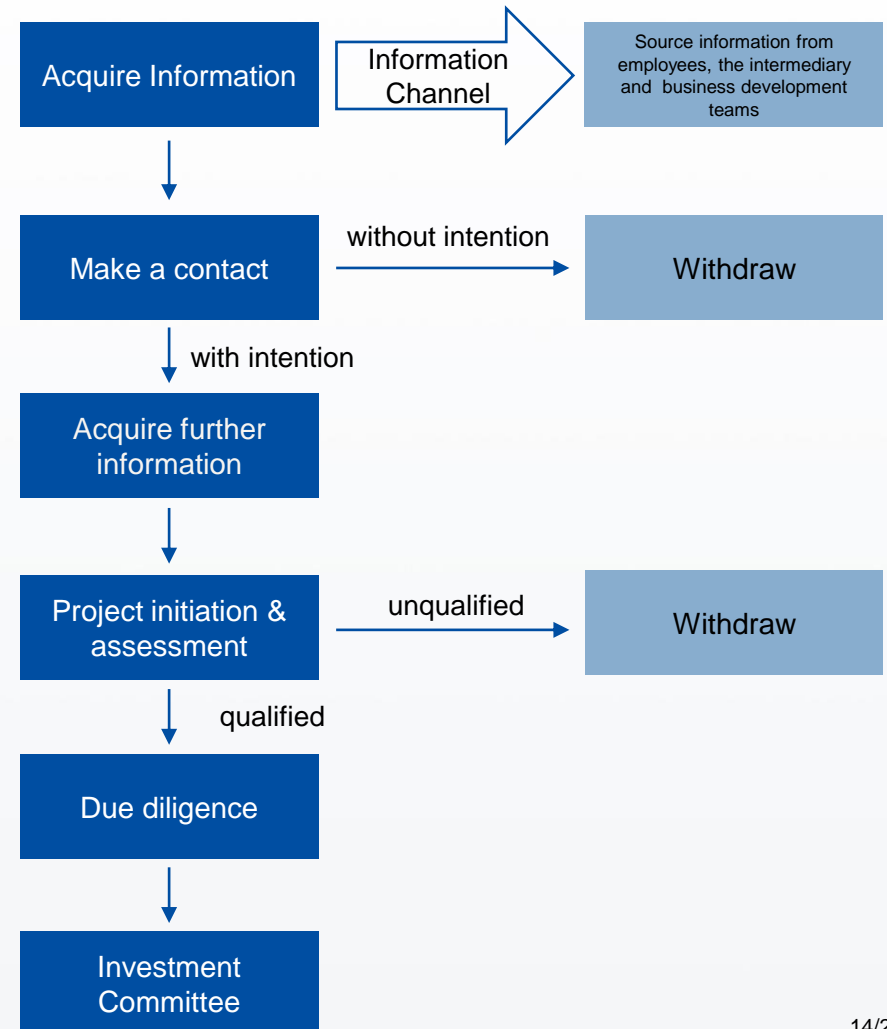


## 3<sup>rd</sup> party projects expansion work mechanism



- 
**➤ Incentive mechanism**
  - Reward for information provision
  - Reward for signing projects
  - Reward for post-investment teams
- 
**➤ Team setup**
  - 50-people business development team including the consulting firm, business development managers of each division, person-in-charge of each prefecture-level city
- 
**➤ Management mechanism**
  - All staff participate in 3<sup>rd</sup> party projects expansion
  - Weekly and monthly meetings
  - *Market investment and expansion staff Procedure*
  - Expansion target completion ranking and assessment

## M&A workflow



## M&A projects in 2020

### Taihua Jinye Life Service Company

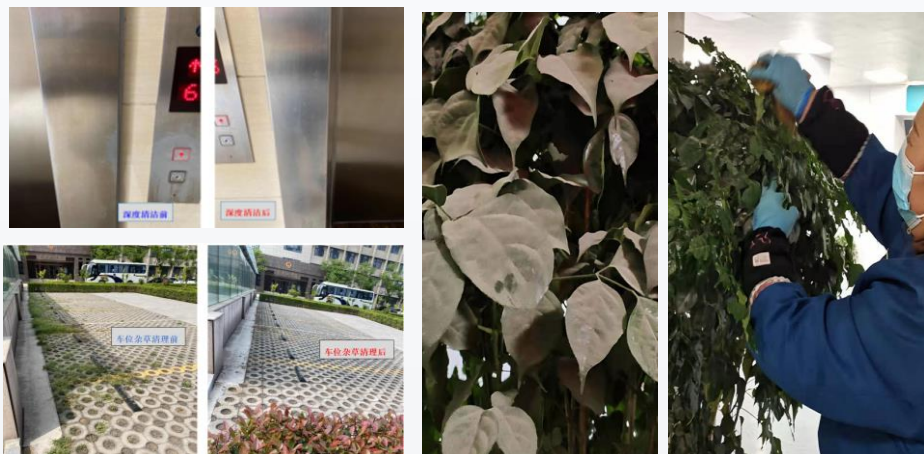
**Location:** Hengshui, Hebei  
**Acquisition time:** 28 December 2020  
**GUM:** 9.38 million sq.m.  
**Contracted GFA:** 12.51 million sq.m.  
**Property type:** residential, factory, venue, hospital, school and office buildings

### Jiyuan City Zhongbang Environmental Sanitation Co., Ltd.

**Location:** Jiyuan, Henan  
**Acquisition time:** 9 September 2020  
**GUM:** 5.25 million sq.m.  
**Contracted GFA:** 5.25 million sq.m.  
**Property type:** urban and rural sanitation, garbage clearance, garbage sorting and disposal



### ➤ “Before and after” comparison of projects taken over



## Post-investment management

### Corporate governance

**Directors:** More than 3/5  
**Assigned personnel:** General manager/Executive VP, Head of Finance  
**Operation:** Introduce more standardized management systems, standards, service systems and intelligent tools; integrate resources to improve service standards and customer satisfaction; increase value-added service revenues, enhance operational capabilities and create a new lifestyle  
**Brand output:** Strong alliance, resource sharing, access to more quality projects



### Management system

- Quality management system
- Environmental management system
- Occupational health and safety management system
- Energy management system
- Corporate social responsibility management system
- Information security management system



### Service system

- Basic service
- 37.5°C happy service
- “Jianye+” value-added services
- Property management cloud intelligent services

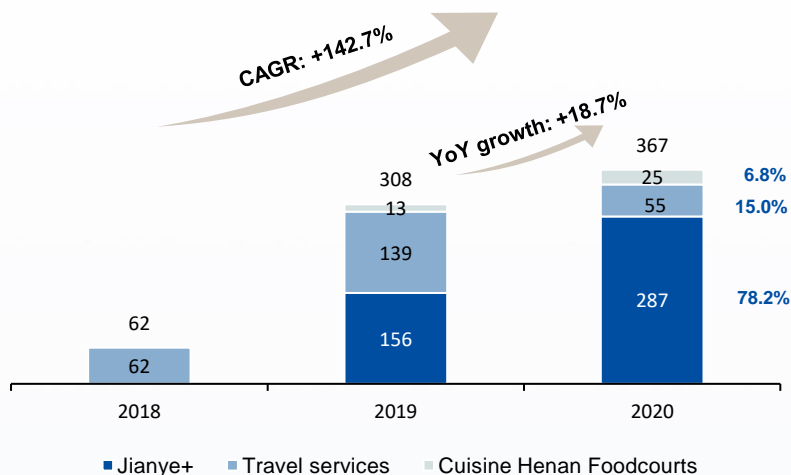


### Intelligent system

- Property management cloud charging system
- Jianye+ APP
- RBA, CRM, QPI etc.

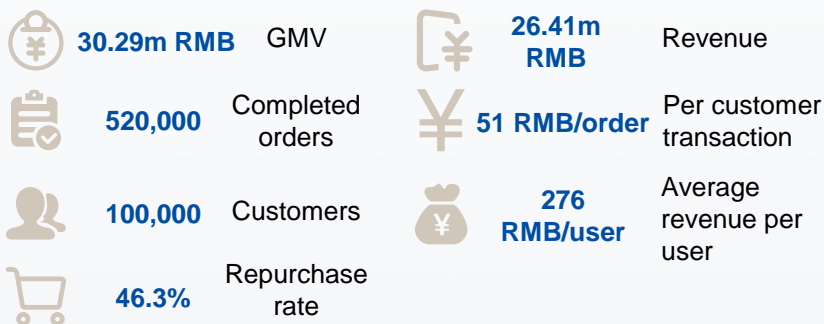
### 3 major systems

## Revenue from lifestyle services (RMBm)



## Community group purchase

Commenced community group purchase business in January 2020



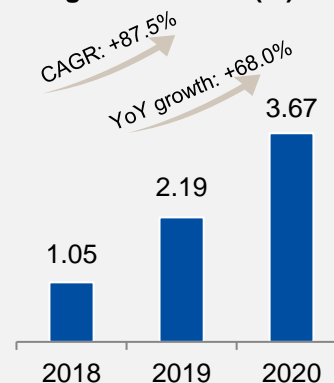
## Cuisine Henan Foodcourts



**9** Number of Foodcourts  
**453** Number of shops

## Jianye+ platform

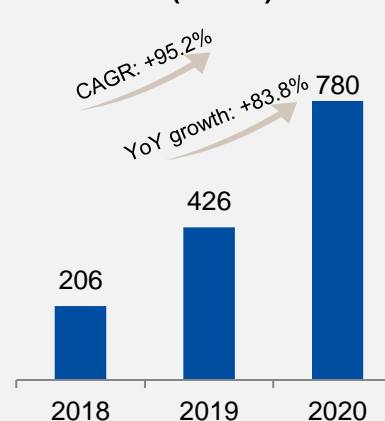
### Registered users (m)



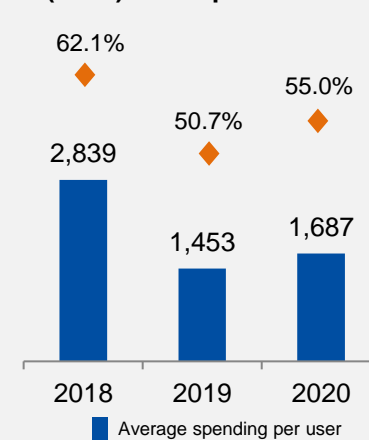
### MAU<sup>(1)</sup> ('000)



### GMV (RMBm)



### Average spending per user (RMB) and repurchase rate<sup>(2)</sup>



(1) MAU: monthly active user

(2) Repurchase rate: the number of orders of repeat purchase divided by the total number of orders



## “Jianye+” activities

- In 2020, “Jianye+” organized various activities, including the “Double 11 Shopping Carnival” from 1 - 11 November, in which the sales of “Jianye+” Preferred Mall reached a record high, increasing by 255% YoY



“Jianye+” Service System Year-End Rebate Ceremony and Pet Owners’ Festival



“Jianye+” Double 11 Shopping Carnival



“Jianye+” supply guarantee during COVID-19



“Jianye+” Good Life Festival



“Jianye+” Mid-autumn Festival and National Day activity



Double 12 Festival

## Cuisine Henan Foodcourts

- In 2020, Cuisine Henan Foodcourts continued to innovate by exploring diversified business such as mobile market, family meal, city experience store, wedding banquet, etc., and gaining market recognition for its cultural catering positioning



Food truck



Mobile market



Family meal



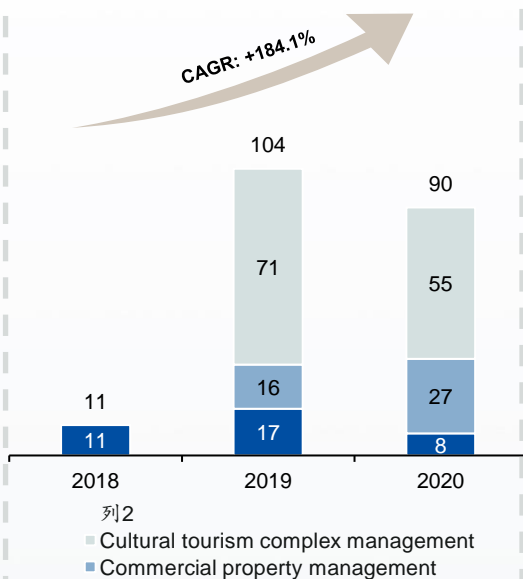
City experience store



Weddings



## Revenue from commercial property management and consultation services (RMBm)



### Hotel Management



9 Hotels under management

0.3m sq.m. GFA

- Provide three types of services, including operation management, supervising hotel operation of current operators and providing consulting services

### Brands of CCRE Group



Sky Mansion Serviced Apartment



The Mist Hot Spring Hotel

### International Hotel Groups



### Commercial Property Management

- Provide two major types of services:
  - Pre-opening consultation:** including quantitative market research on vendors, financial analysis, vendor solicitation/management and strategic planning
  - Post-opening management services:** including vendor management, sales and operation management and training management



7

Shopping malls under management



0.6m sq.m. GFA



Zhengzhou Central China Triumph Square



Luoyang Central China Triumph Square

- Provide operation and consultation services for two types of cultural tourism complexes:

- Cultural tourism projects:** promote local culture through the operation and management of cultural tourism projects, and advise on logistic and infrastructure planning, local specialties and various aspects of cultural tourism projects
- Suburban leisure complex:** build efficient agricultural systems by adding extra features to traditional agricultural business including leisure, sightseeing and science and technology education

### Cultural Tourism Complex Management



3

Cultural tourism complexes under management



10.1m sq.m. Floor area



Central China Yanling Green House

Project planning

Technical support

Intelligent greenhouse construction consultation

Agricultural product planting

Agricultural product sale

Brand & operation management



# 3

# Financial Summary

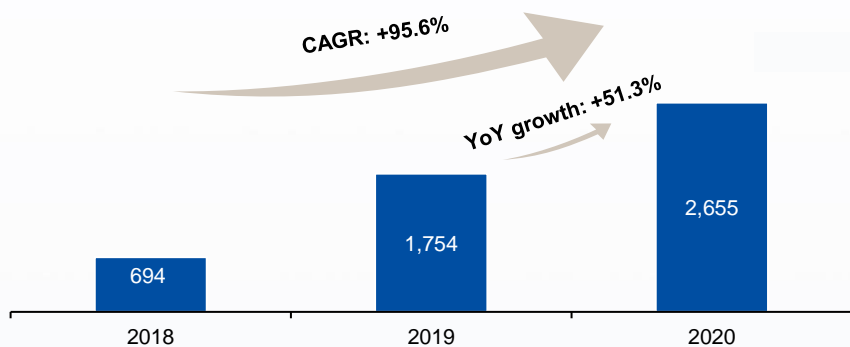


**建业新生活**  
CENTRAL CHINA NEW LIFE

香港股票代码  
9983.HK

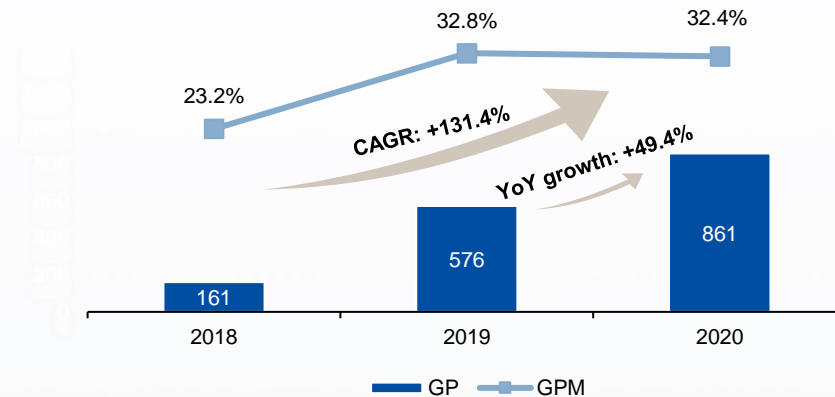
## Total revenue

(RMBm)



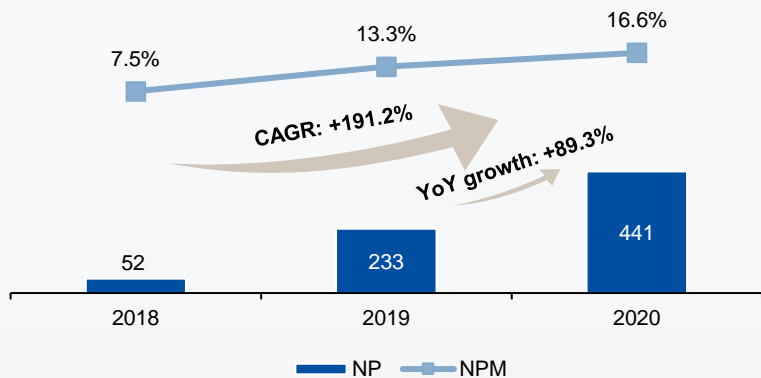
## Gross profit and gross profit margin

(RMBm)



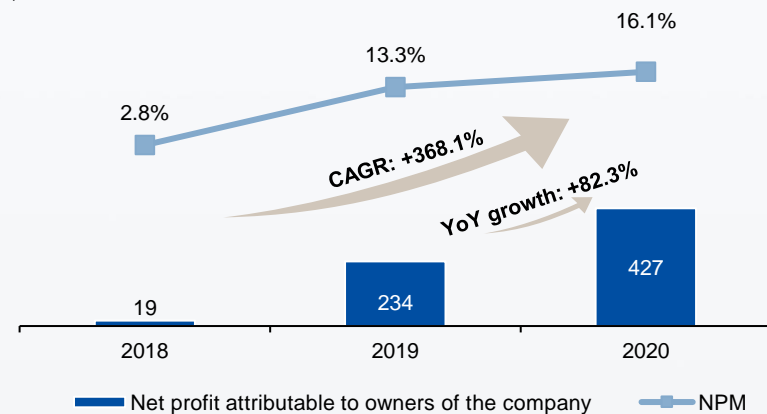
## Net profit and net profit margin of continuing operations

(RMBm)



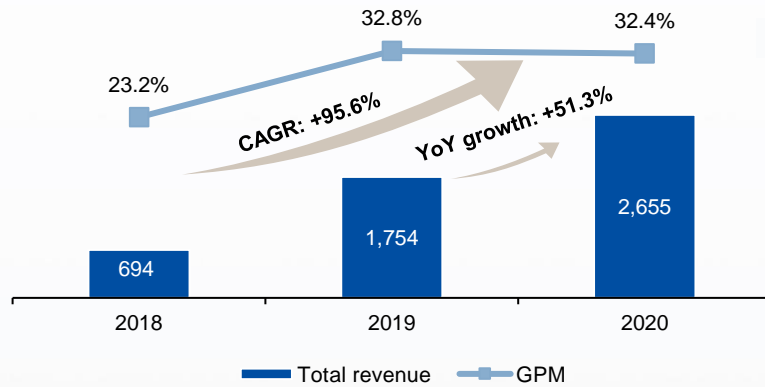
## Net profit attributable to owners of the company

(RMBm)



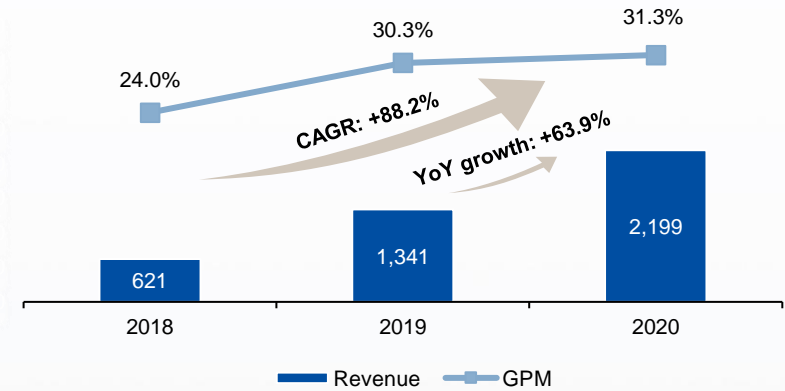
## Total revenue

(RMBm)



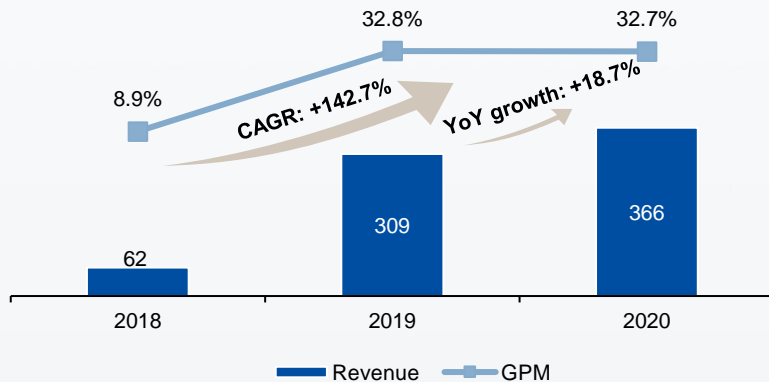
## Property management and value-added services

(RMBm)



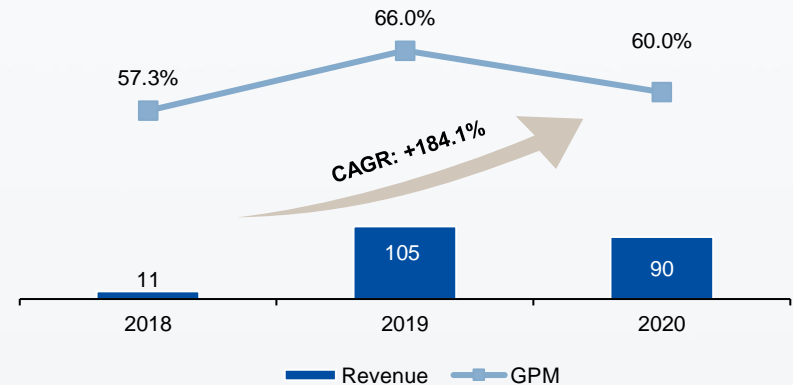
## Lifestyle services

(RMBm)



## Commercial property management and consultation services

(RMBm)



# Major Financial Indicators

RMB ('000)	2019	2020	Change
Revenue	1,754,402	2,654,499	+51.3%
Gross profit	576,284	860,717	+49.4%
Gross profit margin	32.8%	32.4%	-0.4 pct
Administrative expenses	230,311	273,366	+18.7%
Administrative expenses margin	13.1%	10.3%	-2.8 pct
Net profit	227,785	440,744	+93.5%
Net profit margin	13.0%	16.6%	+3.6 pct
Net profit attributable to owners	233,954	426,587	+82.3%
Net profit margin attributable to owners	13.3%	16.1%	+2.7 pct

# Major Financial Indicators

RMB ('000)	2019	2020	Change
Cash balance	585,107	2,218,819	+279.2%
Receivables	678,175	1,200,906	+77.1%
Current assets	1,362,187	4,027,114	+195.6%
Total assets	1,463,444	4,249,979	+190.4%
Current liabilities	1,017,667	1,467,882	+44.2%
Total liabilities	1,081,795	1,532,629	+41.7%
Owners' equity	381,649	2,717,350	+612.0%
Return on equity (ROE)	95.1%	28.4%	-66.7 pct
Earnings per share (RMB/share)	0.2603	0.3827	+47.0%
Interim dividend per share (HKD cent/share)	-	6.6	-
Final dividend per share (HKD cent/share)	-	18.0	-
Dividend payout ratio	-	60%	-



# 4 Outlook and Strategies






**建业新生活**  
CENTRAL CHINA NEW LIFE

香港股票代码  
9983.HK

- Great Central China Strategy:** In the Great Central China region with **Zhengzhou as the centre** and a **radius of 500 kilometres**, leverage the advantages of multi-industry synergy, provide series of products and services for the city, resonate with the city and regional development, and achieve larger scale and higher quality enterprise development



-  Henan Province
-  Great central China strategy area: 8 provinces (Henan, Hubei, Shandong, Anhui, Shanxi, Shaanxi, Hebei, Jiangsu)
-  Provinces where business is in operation (Henan, Hebei, Xinjiang, Hainan)

➤ **Great central China region includes 8 provinces and 83 provincial cities**

- In 2019, the resident population of the great central China region totals **430 million people**, accounting for **30.3%** of China's population
- Regional GDP of **25.0 trillion RMB**, accounting for 25.3% of the national GDP
- The per capita disposable income of residents is **26,890.1 RMB** or 87.5% of the national average per capita
- The urbanization rate of resident population is **57.4%**, which is 3.2 percentage points lower than the national rate, implying more room for improvement

➤ **In 2018, the total property management area in Great central China region was 7.33 billion sq.m.**

- The Great central China accounts for 26.2% of the total property management area (27.93 billion sq.m.) nationwide, with 46,926 projects under management in stock
- The property management scale in Henan, Shandong and Anhui provinces is relatively large, accounting for 23.2%, 15.9% and 13.4% of the management area in the Great Central China region respectively

➤ **Basic conditions have been fulfilled for implementation**

- The improvement of enterprise capacity is a prerequisite
- The formation of high-speed and networked transportation is a necessary condition
- The wide application of modern information technology is a supporting condition
- Rising brand influence of Central China provides guarantee

## Jianye +

### 3 million+ registered users

Property owners, Central China Consumers Club members, shopping mall customers, students and parents, employees and their families, football fans etc.  
Online Shopping mall, benefit, community group purchase, subscription

**Internal cross-ecological operation system**

Stage 1

2020

## Jianye+ 2.0

### 5 million+ registered users

Central China New Life BU users  
Online shopping mall, local lifestyle, supply chain  
500 meters life circle

**External alliance cross-enterprise operating system**

Stage 2

2021

## Jianye Local New Life

### Consumers in Henan

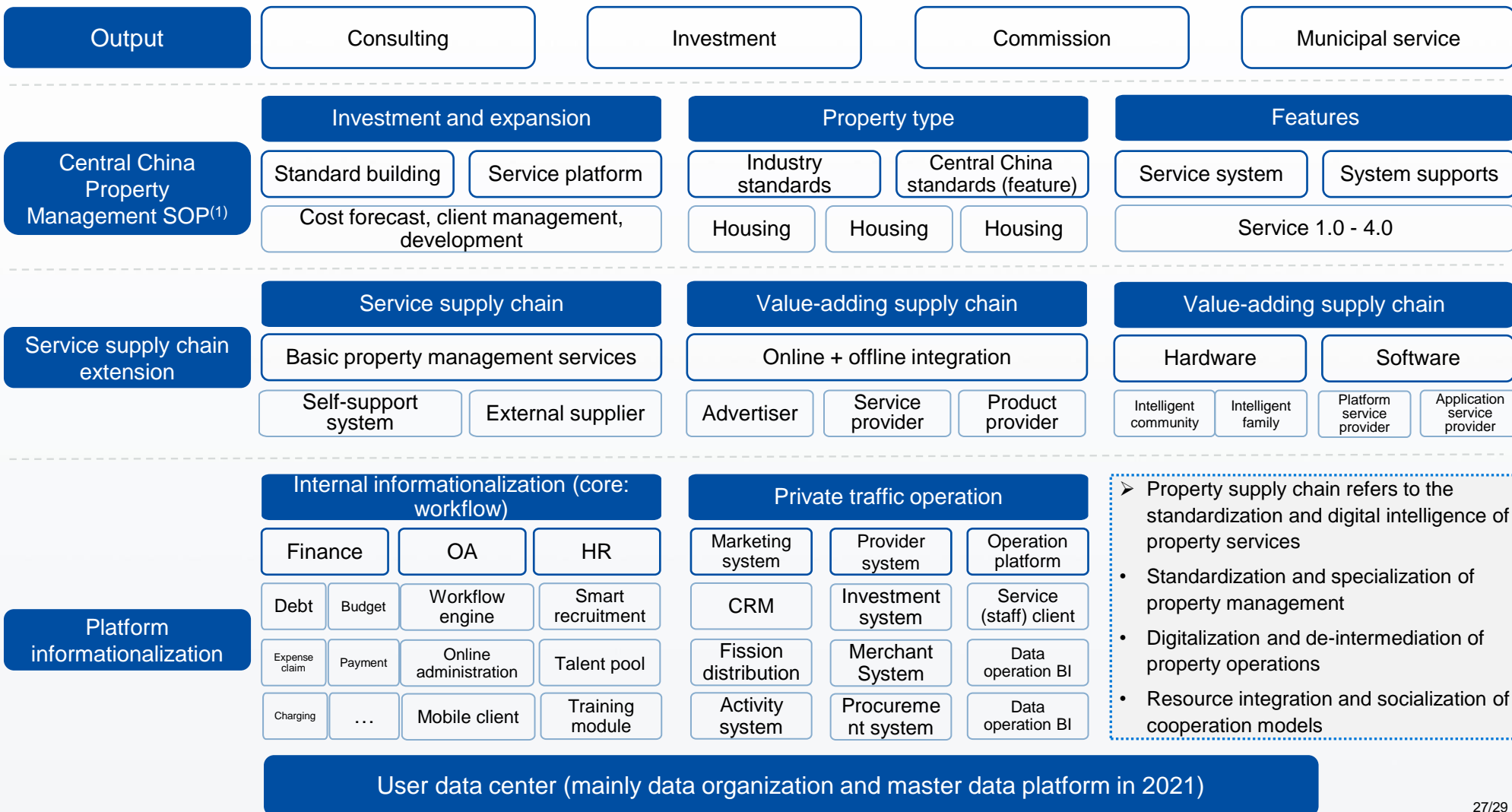
Henan local lifestyle, industrial internet  
Central China ecology PU

**Operation system that supports the strategy of city operation service provider**

Stage 3

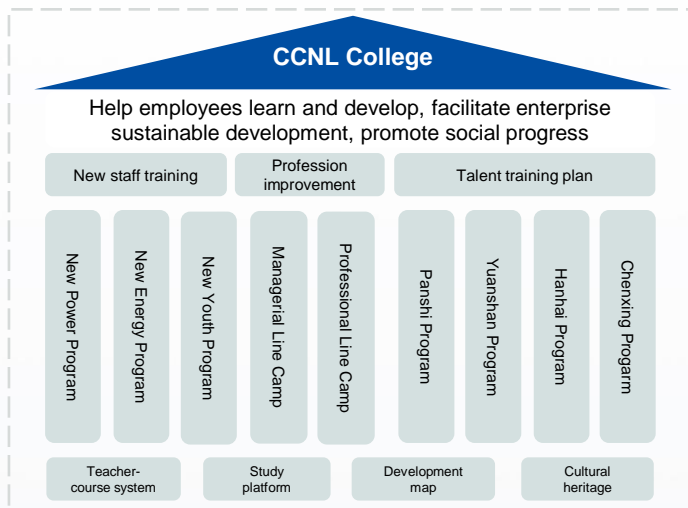
2021 thereafter

- In line with the Great Central China strategy, build a property supply chain platform to realize the management standardization, informatization, and intelligent upgrade of community scenarios of Central China Property Management

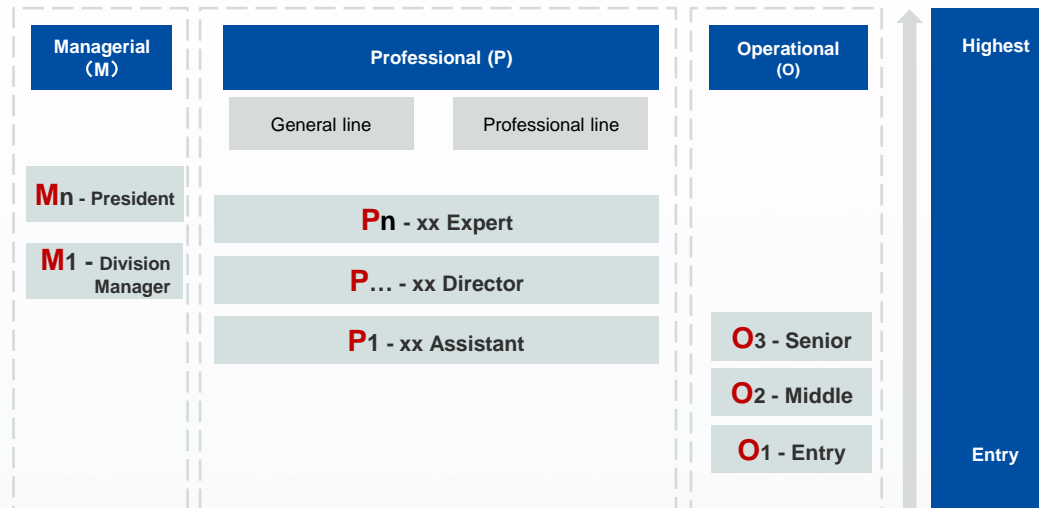


(1) Central China Property Management SOP: standard operating procedure of Central China Property Management

## ■ Training and growth

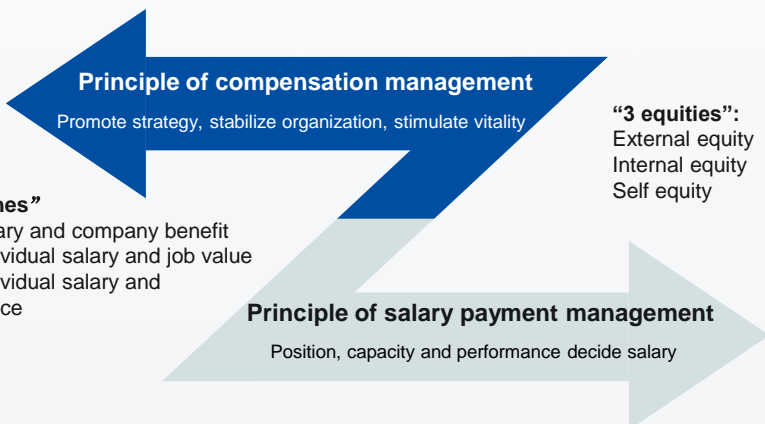


## ■ Career development

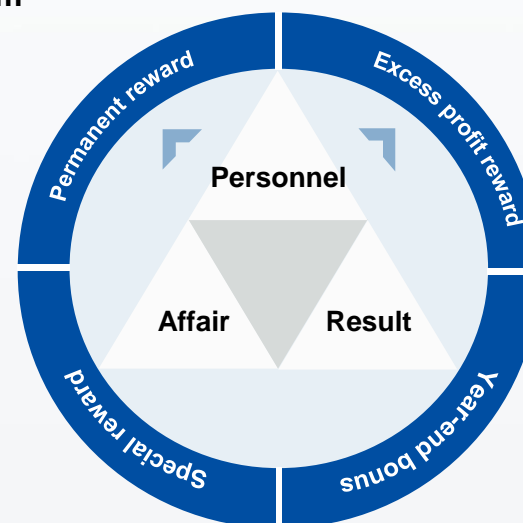


## ■ Compensation system

Aiming to assist the implementation of the Strategy, adhere to compensation and benefit management principles, build up "3 equities" and "3 matches" compensation management system



## ■ Incentive system





# Q&A



**建业新生活**  
CENTRAL CHINA NEW LIFE

香港股票代码  
9983.HK