

[For Immediate Release]



Colour Life Services Group Co., Limited

(Stock code : 1778)

**Colour Life announced its 2017 interim results
Momentum of high growth continued as revenue rose by 29.8% and
Net profit increased by 35.6% year on year
Gross profit and gross profit margin further increased**

**Platform service area expanded rapidly
Platforms further developed for community-based ecosystem of businesses**

Financial and business highlights for 1H2017

- **Accomplished outstanding results with rapid growth in revenue and profit**
 - Achieved revenue of RMB746.6 million for the Period, up by 29.8%.
 - Gross profit was approximately RMB339.5 million, up by 33.3%.
 - Gross profit margin increased by 1.2 percentage points from 44.3% for the same period in 2016 to 45.5%.
 - Profit for the Period of approximately RMB115.3 million, up by 35.6% year on year.
 - Basic earnings per share increased by 36.5% to RMB10.1 cents from RMB7.4 cents for the same period in 2016.
- **Abundant cash balance with steady financial position**
 - As at 30 June 2017, the Group's total bank balances and cash was approximately RMB539.2 million, representing a sufficient cash reserves.
 - As at 30 June 2017, the current ratio (current asset/ current liabilities) of the Group was 1.7 times.
- **The scale and brand advantages are continuously expanding. The platform output services model was recognized by the industry and market**
 - As at 30 June 2017, GFA under management contracts and consultancy service arrangements of the Group reached 420.2 million sq.m, representing a year-on-year growth of 16.7%. The number of residential communities under the Group's management and consultancy services contracts reached 2,335. The Group's management projects cover 214 cities in China and a foreign country, namely

Singapore, realizing rapid expansion of contracted GFA.

- In first half of 2017, the Group successively established cooperation with 28 property management companies including Lanzhou Chengguan Property Service Group Limited (蘭州城關物業服務集團有限公司), Jiangsu Zhongzhu Property Service Development Limited (江蘇中住物業服務開發有限公司) and Hubei Yunfan Property Service Limited (湖北雲帆物業服務有限公司). As at 30 June 2017, service area of the Group’s platform was 848.9 million sq.m.
- Colour Life Property Sales Model was accepted by developers and property owners. The Group has entered into strategic collaborative agreements with 36 developers, including regional leading developers like Anhui Gocoo Group (安徽國購集團) and Xi’an Ronghua Group (西安榮華集團), achieving coverage in 50 cities in China. For the first half of 2017, accumulated sales of Colour Life Property amounted to 2,743 units, representing a year-on-year increase of 321.4%.
- Awarded “the world’s largest community services platform operator” by China Index Academy in 2017.⁽¹⁾
- **The establishment of community services ecosystem through platform became the drive of the business growth**
 - As at 30 June 2017, registered users of Caizhiyun APP increased to 4,121,000, of which 2,434,000 were active users, each representing an increase of 91.7% and 114.8% respectively as compared with those of the same period in 2016. During the Period, the cumulated GMV of Caizhiyun APP has reached RMB2,393.5 million, among which, the aggregate turnover of Colour Wealth Life Value-added plan amounted to RMB1,965.6 million.
 - As at 30 June 2017, the Group launched the ceremony for Shanghai Colour Life Community Ecosystem, which is the second incubation service center designated for eastern China since the implementation of Shenzhen Colour Life Ecosystem for one year.

(1) According to the contracted GFA of management and residential communities from cooperation platforms as of 31 December 2016.

(Hong Kong, 25 August 2017) **Colour Life Services Group Co., Limited** (“Colour Life” or the “Company”, which together with its subsidiaries, is referred to as the “Group”, HKEx stock code: 1778), the world’s largest community services platform operator, was pleased to announce its unaudited interim results for the six months ended 30 June 2017 (the “Period”).

The Group’s revenue for the Period increased by 29.8% to approximately RMB746.6 million from RMB575.1 million for the same period in 2016. Gross profit increased by 33.3% to RMB339.5 million. Gross profit margin increased by 1.2 percentage points to 45.5%, resulting from the improvement of services’ effectiveness by considerable gross floor area (“GFA”) of properties under management in lump sum basis.

During the Period, the Group’s profit increased by 35.6% to approximately RMB115.3 million from RMB85.0 million for the same period in 2016. Profit for the period attributable to owners

of the Company increased by 37.0% to RMB100.7 million. Basic earnings per share increased by 36.5% to RMB10.1 cents from RMB7.4 cents for the same period in 2016.

The Group's community services business remained rapid growth. GFA under management contracts and consultancy service arrangements of the Group reached 420.2 million sq.m., representing a year-on-year growth of 16.7%. The Group Successfully established cooperation with 28 property management companies through platform output strategy. As at 30 June 2017, service area of the Group's platform reached 848.9 million sq.m.

Relying on the basis of the B2F ecosystem, the Group delivered products and services of the ecosystem through the platform. During the Period, the cumulated GMV of Caizhiyun APP has reached RMB2,393.5 million, among which, the aggregate turnover of Colour Wealth Life amounted to RMB1,965.6 million.

The establishment of community services ecosystem through platform became the drive of the business growth

Based on the concept of "deconstruction + reconstruction" from the community, Colour Life worked on the basic property management of public areas, and gradually bridged to the family services. After continuous exploration, the Group ultimately established community B2F ecosystem, and the transformation of Colour Life's business structure has come into effectiveness.

In the respect of online platform users, as at 30 June 2017, registered users of Caizhiyun APP increased to 4,121,000, of which 2,434,000 were active users, each representing an increase of 91.7% and 114.8% respectively as compared with those of the same period in 2016.

In the respect of the organization and supply of community services, the Group continued to focus on its strategy of building up an open platform and has commenced cooperation with a number of suppliers for vertical applications through business incubation and value chain restructuring strategy to jointly explore opportunities for business expansion in a diversified community scenarios. Currently, there are over 20 corporations from the ecosystem platform engaging in community services in various aspects, of which E-Energy, E-Parking, E-Leasing and E-Wealth management contributed substantial income. E-Repair, E-Recycling, E-Lift, E-House keeping, and E-Renovation, which specialize in repair service, recycling and reuse of community waste and resources, elevator management service, home cleaning service and renovation service, entering into the rapid development stage.

During the Period, the cumulated GMV of Caizhiyun APP has reached RMB2,393.5 million. As at 30 June 2017, E-Repair recorded a daily order volume of more than 15,000 orders, 95% of which came from property owners' households, while E-Wealth management amassed aggregate turnover of RMB2,003.8 million, among which, the aggregate turnover of Colour Wealth Life value-added plan amounted to RMB1,965.6 million. Such positive operating data have underlined the initial success of the Colour Life ecosystem.

As at 30 June 2017, the Group launched the ceremony for Shanghai Colour Life Community Ecosystem, which is the second incubation service Center designated for eastern China since the implementation of Shenzhen Colour Life Ecosystem for one year. Shanghai Colour Life

Community Ecosystem will continue to integrate the service resources with the existing communities that the Group manages, to provide rapid expansion market to products companies and attract more quality business starters.

The scale and brand advantages are continuously expanding. The platform output services model was recognized by the industry and market

As at 30 June 2017, the Group's management projects' coverage expanded to 214 cities in China and Singapore, achieving a rapid expansion of contracted GFA. Under the encouraging development trend of value-added services, the Group launched platform output strategy. Through providing Caizhiyun platform to collaborative partners, Caizhiyun platform could approach more families and communities not managed by the Group. In first half of 2017, the Group successively established cooperation with 28 property management companies including Lanzhou Chengguan Property Service Group Limited (蘭州城關物業服務集團有限公司), Jiangsu Zhongzhu Property Service Development Limited (江蘇中住物業服務開發有限公司) and Hubei Yunfan Property Service Limited (湖北雲帆物業服務有限公司). As at 30 June 2017, service area of the Group's platform was 848.9 million sq.m, which includes 420.2 million sq.m. for contracted area, 178.7 million sq.m. for cooperation area and 250.0 million sq.m. for Silver Key Association Platform area.

In the meantime, Colour Life Property has become the core product of platform output. Based on the sales model of "property + service", the Group merged the platform services and property sales of developers. On one hand, the Group obtains the property management right through the sales of Colour Life Property. On the other hand, it leads to the accumulation of meal coupons on the Caizhiyun platform, contributing to the sales of platform products and services. In the first half of 2017, Colour Life Properties sales model was newly introduced into cities including Xi'an, Suzhou and Zhengzhou, achieving coverage in 50 cities in China. It has entered into strategic collaborative agreements with 36 developers successively, including regional leading developers like Anhui Gocoo Group (安徽國購集團) and Xi'an Ronghua Group (西安榮華集團). During the Period, accumulated sales of Colour Life Property amounted to 2,743 units, representing a year-on-year increase of 321.4%. It is expected that Colour Life Property will record a quicker sales in the future.

The Group focuses on the quality enhancement of services while the scale of operation has been expanding rapidly. During the Period, the Group continued to establish smart community, and the Colour Life Smart Community Model was upgraded from Version 3.3 to Version 4.0. The new version focuses more on optimizing access and scenario design from all aspects of community services, further establishing the community B2F ecosystem through users' demand and effective supports. Furthermore, the Group was award "the world's largest community services platform operator" by the China Index Academy, according to the contracted GFA of management and residential communities from cooperation platforms as of 31 December 2016.

Summary

Mr. Pan Jun, Chairman of the Board and non-Executive Director of Colour Life, said, “We are pleased to witness that the establishment of Colour Life’s platform has nearly completed. And it has delivering its platform to other property management companies through the output strategy, shaping the trend of turning the community services onto a platform. We will continuously expand through platform output strategy, in order to enlarge the coverage and volume of Colour Life’s community into the magnitude of an internet enterprise. In 2017, the transformation and enhancement of Colour Life will come into effectiveness. We will strive to create shareholder value in the long term.”

- End -

About Colour Life

Colour Life is headquartered in Shenzhen, and it is a leading integrated property services operating group in China. Colour Life achieved a rapid growth on its platform services and was awarded “the world’s largest community services platform operator” by China Index Academy.

Colour Life focuses on developing an offline and online service platform connecting residents with local vendors, and has ample growth opportunities. In 2017, the Group recorded an encouraging development of value-added services through platform co-operations, achieving the delivery of Caizhiyun’s platform technology and the products and services of ecosystem.

For more information, please contact:

iPR Ogilvy & Mather

Tina Law / Gary Li / Nicola Chan / Joseph Zhou / Joey Li

Tel: +852 2136 6181 / 3170 6753 / 3920 7642 / 3920 7649 / 3920 7656

Fax: +852 3170 6606

Email: colourlife@iprogilvy.com