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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)

**CONTINUING CONNECTED TRANSACTIONS:
RESPECTIVE SUPPLEMENTAL AGREEMENTS TO
THE MASTER TENANCY AGREEMENT AND
THE MASTER COMPOSITE SERVICES AGREEMENT
AND
REVISION OF ANNUAL CAPS**

BACKGROUND

Reference is made to the “Continuing Connected Transactions” section of the Prospectus in relation to, among other things, the Master Tenancy Agreement and the Master Composite Services Agreement.

On 28 April 2017 (after trading hours), the Supplemental Master Agreements were entered into to revise certain terms of the respective Existing Master Agreements.

The changes contemplated under the Supplemental MTA are made mainly to accommodate the expected increase in the lettable area to be leased by the Group from the Private Group for (i) opening of additional retail and catering outlets and ancillary living services (including off-campus training services) in connection with the completion of the development of Clifford Wonderview (which development will be completed in the second half of 2017), Clifford Hospital Phase II (which will be opened in the second half of 2017) and Clifford Dynamic Garden II and Clifford Group Centre (which will be completed in the second half of 2017), and certain new facilities in the existing residential estates developed by the Private Group, (ii) addition of the Group’s offices (with a gross floor area of about 1,480.65 sq.m.) located at Clifford Dynamic Garden II and Clifford Group Centre which will be completed in the second half of 2017, and (iii) establishment of the Company’s office in Hong Kong. In addition, the Group plans to sub-lease to Independent Third Party(ies) a portion of the office premises, which is not occupied by the Group, so that a stable rental income may be earned. Clifford Wonderview is a residential cum commercial property project with an aggregate gross floor area of about 966,453 sq.m.

The changes contemplated under the Supplemental MCSA are made mainly to accommodate the expected increase in the volume of (i) resident support services and ancillary living services (including employment placement services and laundry services) in connection with the expected opening of Clifford Hospital Phase II in the second half of 2017; (ii) property management services, resident support services and property agency services in connection with the expected completion of the development of Clifford Wonderview (a residential cum commercial property project with an aggregate gross floor area of about 966,453 sq.m.) in the second half of 2017; and (iii) property management services in connection with Clifford Group Centre and certain newly developed residential units in the existing estates developed by the Private Group, and property agency services in connection with newly developed residential units in Clifford Bayview.

In connection with such changes, certain service fees to be received by the Group under the MCSA (as amended and supplemented by the Supplemental MCSA) and the rentals payable by the Group under the MTA (as amended and supplemented by the Supplemental MTA) are expected to be increased.

LISTING RULES IMPLICATIONS

As more than one of the applicable percentage ratios (other than the profits ratio) in respect of the aggregate amount of the proposed Revised TA Annual Caps, on an annual basis, is more than 5% (but less than 25%) and the aggregate amount of the proposed Revised TA Annual Caps is more than HK\$10 million, the Supplemental MTA and the transactions contemplated thereunder (including the Revised TA Annual Caps) are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under the Listing Rules.

As all of the applicable percentage ratios (other than the profits ratio) in respect of the aggregate amount of the proposed Revised CSA Annual Caps, on an annual basis, is more than 5% (but less than 25%) and the aggregate amount of the proposed Revised CSA Annual Caps is more than HK\$10 million, the Supplemental MCSA and the transactions contemplated thereunder (including the Revised CSA Annual Caps) are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under the Listing Rules.

In such connection, the Revised Annual Caps to be sought from Independent Shareholders' approval will be applicable to the two financial years of FY2017 and FY2018 (vis-à-vis the existing annual caps for FY2016, FY2017 and FY2018 as mentioned in the Prospectus).

GENERAL

The EGM will be convened and held for the Independent Shareholders to consider, and if thought fit, to approve the ordinary resolutions in respect of the Supplemental Master Agreements and the transactions contemplated thereunder (including the respective Revised Annual Caps).

A circular containing, among others, (i) further details of the Supplemental Master Agreements and the transactions contemplated thereunder (including the respective Revised Annual Caps); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Supplemental Master Agreements and the transactions contemplated thereunder (including the respective Revised Annual Caps); (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the same matter; (iv) a notice of the EGM; and (v) other information as required under the Listing Rules, will be despatched to all Shareholders. Such circular is expected to be despatched on or before 31 May 2017, as additional time is required to prepare and finalise certain information to be included in the circular.

BACKGROUND

Reference is made to the “Continuing Connected Transactions” section of the Prospectus in relation to, among other things, the Master Tenancy Agreement and the Master Composite Services Agreement.

On 21 October 2016, the Company (on behalf of its subsidiaries) (as tenant) entered into the Master Tenancy Agreement with Clifford Estates Panyu (for itself and on behalf of the other property owners which are members of the Private Group) (as landlord) to regulate the leasing arrangement of leased properties by the Group from the Private Group.

On 21 October 2016, the Company (for itself and on behalf of its subsidiaries) (as service providers) on the one part entered into the Master Composite Services Agreement with Clifford Estates Panyu (for itself and on behalf of other members of the Private Group) and Clifford Aged Home (for itself and on behalf of Ms. Wendy Man’s Group) (as receiving parties) on the other part to regulate the Group’s provision of various types of living and other services, including but not limited to, the provision of procurement, property management, laundry, resident support and maintenance, employment placement and property agency services to the Private Group and Ms. Wendy Man’s Group.

THE SUPPLEMENTAL MASTER TENANCY AGREEMENT

On 28 April 2017 (after trading hours), the Supplemental Master Tenancy Agreement was entered into between the Company and Clifford Estate Panyu (in their respective capacity as stated below) to revise certain terms of the Master Tenancy Agreement. The changes contemplated under the Supplemental MTA are made mainly to accommodate the expected increase in the lettable area to be leased by the Group from the Private Group for (i) opening of additional retail and catering outlets and ancillary living services (including off-campus training services) in connection with the completion of the development of Clifford Wonderview (which development will be completed in the second half of 2017), Clifford Hospital Phase II (which will be opened in the second half of 2017), and Clifford Dynamic Garden II and Clifford Group Centre (which will be completed in the second half of 2017), and certain new facilities in the existing residential estates developed by the Private Group, (ii) addition of the Group's offices (with a gross floor area of about 1,480.65 sq.m.) located at Clifford Dynamic Garden II and Clifford Group Centre which will be completed in the second half of 2017, and (iii) establishment of the Company's office in Hong Kong. In addition, the Group plans to sub-lease to Independent Third Party(ies) a portion of the office premises, which is not occupied by the Group, so that a stable rental income may be earned. Clifford Wonderview is a residential cum commercial property project with an aggregate gross floor area of about 966,453 sq.m.

The principal terms of the Master Tenancy Agreement (as amended and supplemented by the Supplemental MTA) are summarized as below:

Date of the Supplemental MTA: 28 April 2017 (after trading hours)

Parties: (i) the Company (for itself and on behalf of its subsidiaries) (as tenant)

(ii) Clifford Estates Panyu (for itself and on behalf of the other property owners which are members of the Private Group) (as landlord)

Additional premises to be leased under the Supplemental MTA: in accordance with the Supplemental Master Tenancy Agreement, the Group will lease from the Private Group additional premises with a total gross floor area of 15,496.9 sq. m. in Panyu district and Hong Kong. Brief details of the additional premises are set out below:

	Number of leases	Total gross floor area (sq.m.)	Range of monthly rental for FY2017 (RMB per sq.m.)
Panyu district	17	13,463.2	10–260.5
Hong Kong	2	2,033.7	69.3–86.6
Total		<u>15,496.9</u>	

Use: mainly as operating or business outlets or office

Term: the original term under the Master Tenancy Agreement commenced with effect from 1 January 2016 until the tenth anniversary of such commencement date and may be renewed for a successive period of ten years by mutual consent upon the initial expiry, subject to compliance with the then applicable provisions of the Listing Rules. No change in such connection is made under the Supplemental MTA.

Rent: the annual rentals in respect of the additional premises to be leased by the Group under the Supplemental MTA were determined after arm's length negotiations between the relevant parties with reference to the prevailing market rates of local properties in the neighbourhood with a similar scale and quality and subject to the internal control measures, and future increments will be determined based on the prevailing GDP growth rate of the PRC in the immediately preceding year (subject to a cap of 7% per annum)

Conditions: the transactions contemplated under the Supplemental MTA (including the Revised TA Annual Caps) are conditional upon (i) the approval from the Independent Shareholders being obtained in accordance with the provisions of the Listing Rules; and (ii) all other requirements under the Listing Rules being complied with (including the obtaining the advice of the Independent Financial Adviser).

As at the date of this announcement, save for the publication of this announcement, none of the above conditions have been fulfilled.

Revised annual caps

The Existing TA Annual Caps will be revised as follows:

The Existing TA Annual Caps

(RMB million)	FY2017	FY2018
Total rentals	12.0	12.5

The Revised TA Annual Caps

(RMB million)	FY2017	FY2018
Total rentals	16.0	20.0

Historical transaction amounts

The total rentals incurred by the Group in relation to the properties leased from members of the Private Group for each of FY2014, FY2015 and FY2016 are as follows:

(RMB million)	FY2014	FY2015	FY2016
Total rentals	6.4	7.9	7.5

Basis of determination of the Revised TA Annual Caps

The Revised TA Annual Caps under the Master Tenancy Agreement (as amended and supplemented by the Supplemental MTA) are determined by the Company with the Private Group after taking into account the following: (i) the historical amount of rentals paid or payable by the Group; (ii) the gross floor area of additional premises to be leased from the Private Group under the Supplemental MTA; (iii) the prevailing property market conditions of Panyu district and Hong Kong; and (iv) the prevailing GDP growth rate of the PRC.

Save for the changes as contemplated by the Supplemental MTA, all other terms and conditions of the Master Tenancy Agreement remain unchanged and effective. Please refer to the section headed “Continuing Connected Transactions” in the Prospectus for further details of the Master Tenancy Agreement.

THE SUPPLEMENTAL MASTER COMPOSITE SERVICES AGREEMENT

On 28 April 2017 (after trading hours), the Supplemental MCSA was entered into between the Company on the one part, and Clifford Estates Panyu and Clifford Aged Home on the other part (in their respective capacities as mentioned below) to revise certain terms of the Master Composite Services Agreement. The changes contemplated under the Supplemental MCSA are made mainly to accommodate the expected increase in the volume of (i) resident support services and ancillary living services (including employment placement services and laundry services) in connection with the expected opening of Clifford Hospital Phase II in the second half of 2017; (ii) property management services, resident support services and property agency services in connection with the expected completion of the development of Clifford Wonderview (a residential cum commercial property project with an aggregate gross floor area of about 966,453 sq.m.) in the second half of 2017; and (iii) property management services in connection with Clifford Group Centre and certain newly developed residential units in the existing estates developed by the Private Group, and property agency services in connection with newly developed residential units in Clifford Bayview.

The principal terms of the Master Composite Services Agreement (as amended and supplemented by the Supplemental MCSA) are summarized as follows:

Date of the Supplemental MCSA: 28 April 2017 (after trading hours)

Parties: (i) Clifford Estates Panyu (for itself and on behalf of other members of the Private Group) and Clifford Aged Home (for itself and on behalf of other members of Ms. Wendy Man's Group) (both as receiving parties)

(ii) the Company (for itself and on behalf of its subsidiaries) (as service providers)

Term: three years commencing from 1 January 2016 to 31 December 2018. No change in such connection is made under the Supplemental MCSA.

Volume of services expected to be increased: (i) in connection with the expected opening of Clifford Hospital Phase II in the second half of 2017, the Group's provision of resident support services and ancillary living services (including employment placement services and laundry services);

(ii) in connection with the expected completion of the development of Clifford Wonderview (a residential cum commercial property project with an aggregate gross floor area of about 966,453 sq.m.) in the second half of 2017, the Group's provision of additional property management services, resident support services and property agency services; and

(iii) in connection with the expected completion of Clifford Group Centre in the second half of 2017 and certain newly developed residential units in the existing estates developed by the Private Group, the Group's provision of additional property management services, and in connection with the newly developed residential units in Clifford Bayview, the Group's provision of additional property agency services.

Pricing policy: the basis of service fees to be charged by the Group for additional volume of services under the Supplemental MCSA will be the same as that provided under the MCSA.

Conditions: the transactions contemplated under the Supplemental MCSA (including the Revised CSA Annual Caps) are conditional upon (i) the approval from the Independent Shareholders being obtained in accordance with the provisions of the Listing Rules; and (ii) all other requirements under the Listing Rules being complied with (including the obtaining the advice of the Independent Financial Adviser).

As at the date of this announcement, save for the publication of this announcement, none of the above conditions have been fulfilled.

Revised annual caps

The Existing CSA Annual Caps will be revised as follows:

The Existing CSA Annual Caps

(RMB million)	FY2017	FY2018
Total	23.0	23.0

The Revised CSA Annual Caps

(RMB million)	FY2017	FY2018
Total	37.0	41.0

Historical transaction amounts

The total fees charged by the Group in relation to the provision of the services for each of FY2014, FY2015 and FY2016 are as follows:

(RMB million)	FY2014	FY2015	FY2016
Total	22.4	20.4	22.6

Basis of determination of the Revised CSA Annual Caps

The Revised CSA Annual Caps under the Master Composite Services Agreement (as amended and supplemented by the Supplemental MCSA) are determined by the Company with the Private Group and Ms. Wendy Man's Group after taking into account the following: (i) the historical amount of the service fees charged by the Group; (ii) the expected increase in service fee or goods price in the PRC in the years from now and up to 31 December 2018; (iii) the additional volume of resident support services and ancillary living services (including employment placement services and laundry services) to be provided by the Group in connection with the expected opening of Clifford Hospital Phase II in the second half of 2017; (iv) the additional volume of property management services, resident support services, and property agency services to be provided by the Group in connection with the expected completion of the development of Clifford Wonderview in the second half of 2017; (v) the additional volume of property management services and property agency services to be provided by the Group in connection with the expected completion of Clifford Group Centre in the second half of 2017 and the newly developed residential units in Clifford Bayview; and (vi) the prevailing GDP growth rate of the PRC.

REASONS FOR AND BENEFITS OF THE SUPPLEMENTAL MASTER TENANCY AGREEMENT AND THE SUPPLEMENTAL MASTER COMPOSITE SERVICES AGREEMENT AND REVISION OF EXISTING ANNUAL CAPS

The Group is principally engaged in the provision of four main service segments: property management services, retail services, catering services and Ancillary Living Services.

The Private Group is principally engaged in the businesses of (among others) property development, property investment, hotel investment and management, education, hospital and medical services in the PRC. Its ultimate controlling shareholder is Ms. Wendy Man's Spouse.

Ms. Wendy Man's Group is principally engaged in the businesses of (among others) aged, maternal and infant care and information technology in the PRC. Its ultimate controlling shareholder is Ms. Wendy Man.

As regards the Supplemental MTA, the lease by the Group of additional area of properties for opening additional retail and catering outlets from the Private Group mainly arises as a result of the expected completion of the development of Clifford Wonderview, the expected opening of Clifford Hospital Phase II in the second half of 2017, the expected completion of Clifford Dynamic Garden II and Clifford Group Centre in the second half of 2017, and certain new facilities in the existing residential estates developed by the Private Group. The Board believes that addition of the Group's offices (with a lettable area of about 1,480.65 sq.m.) will increase the administrative efficiency and communications between management and staff of the Group. Further, the Group is expected to have additional level of investor relations services to be delivered in Hong Kong, and hence the lease by the Group of certain office premises from the Private Group will help attain such purpose. In addition, the Group plans to sub-lease to Independent Third Party(ies) a portion of the office premises, which is not occupied by the Group, so that a stable rental income may be earned.

In view of the above, the Directors (excluding the INEDs whose views will be given after taking into account the advice from the Independent Financial Adviser) are of the view that the terms of the Supplemental MTA and the transactions contemplated thereunder (including the Revised TA Annual Caps) are fair and reasonable, on normal commercial terms and in the ordinary and usual course of business of the Group, and are in the interests of the Company and the Shareholders as a whole.

As regards the Supplemental MCSA, the Group's provision of additional volume of services mainly arises as a result of the expected completion of the development of Clifford Wonderview and the expected opening of Clifford Hospital Phase II in the second half of 2017 and the expected completion of Clifford Group Centre in the second half of 2017. As the Group has been rendering property management services, retail services and ancillary living services (including property agency services, employment placement services and laundry services), it is in the Group's ordinary course of business to provide such additional volume of services to the Private Group and (where relevant) Ms. Wendy Man's Group. The basis of service fees to be charged by the Group for such additional volume of services will be the same as that provided under the MCSA.

In view of the above, the Directors (excluding the INEDs whose views will be given after taking into account the advice from the Independent Financial Adviser) are of the view that the terms of the Supplemental MCSA and the transactions contemplated thereunder (including the Revised CSA Annual Caps) are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group, and are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Ms. Wendy Man is an executive Director, the chairman of the Board and one of the controlling shareholders of the Company. Ms. Wendy Man's associates are connected persons of the Company under Rule 14A.07 of the Listing Rules. As at the date of this announcement, the ultimate controlling shareholder of the Private Group (including Clifford Estates Panyu) and Ms. Wendy Man's Group (including Clifford Aged Home) is Ms. Wendy Man's Spouse and Ms. Wendy Man, respectively. As such, the Private Group (including Clifford Estates Panyu) and Ms. Wendy Man's Group (including Clifford Aged Home) are associates of Ms. Wendy Man. Accordingly, the entering into of the Supplemental Master Agreements constitutes continuing connected transactions of the Company (and a variation of the Existing Master Agreements) under Chapter 14A of the Listing Rules.

As more than one of the applicable percentage ratios (other than the profits ratio) in respect of the aggregate amount of the proposed Revised TA Annual Caps, on an annual basis, is more than 5% (but less than 25%) and the aggregate amount of the proposed Revised TA Annual Caps is more than HK\$10 million, the Supplemental MTA and the transactions contemplated thereunder (including the Revised TA Annual Caps) are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under the Listing Rules.

As all of the applicable percentage ratios (other than the profits ratio) in respect of the aggregate amount of the proposed Revised CSA Annual Caps, on an annual basis, is more than 5% (but less than 25%) and the aggregate amount of the proposed Revised CSA Annual Caps is more than HK\$10 million, the Supplemental MCSA and the transactions contemplated thereunder (including the Revised CSA Annual Caps) are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under the Listing Rules.

GENERAL

In view of her (and/or her associates') interests in the Supplemental Master Agreements, Ms. Wendy Man has abstained from voting in respect of the relevant resolutions at the Board meeting held on 28 April 2017 for considering the Supplemental Master Agreements.

The EGM will be convened and held for the Independent Shareholders to consider, and if thought fit, to approve the ordinary resolutions in respect of the Supplemental Master Agreements and the transactions contemplated thereunder (including the respective Revised Annual Caps).

By virtue of Ms. Wendy Man's (or, as the case may be, her associates') interests in the Supplemental Master Agreements, Ms. Wendy Man and her associates are required to abstain from voting on the relevant resolutions to be proposed at the EGM. As at the date of this announcement, Ms. Wendy Man, through her wholly-owned company (namely, Elland Holdings Limited) held 750,000,000 Shares, representing 75% of the entire issued share capital of the Company.

To the best of the Directors' knowledge and information, no Shareholders other than Ms. Wendy Man and her associates have a material interest in the Supplemental Master Agreements and the transactions contemplated thereunder and no other Shareholders are required to abstain from voting on the ordinary resolutions in relation to the respective Supplemental Master Agreements and the transactions contemplated thereunder (including the respective Revised Annual Caps) to be proposed at the EGM.

The Independent Board Committee has been formed, comprising all the INEDs (namely, Ms. LAW Elizabeth, Mr. HO Cham and Mr. MAK Ping Leung). It will make recommendations to the Independent Shareholders in respect of the terms of the Supplemental Master Agreements and the transactions contemplated thereunder (including the respective Revised Annual Caps). The Independent Financial Adviser has been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among others, (i) further details of the Supplemental Master Agreements and the transactions contemplated thereunder (including the respective Revised Annual Caps); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Supplemental Master Agreements and the transactions contemplated thereunder (including the respective Revised Annual Caps); (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the same matter; (iv) a notice of the EGM; and (v) other information as required under the Listing Rules, will be despatched to all Shareholders. Such circular is expected to on or before 31 May 2017, as additional time is required to prepare and finalise certain information to be included in the circular.

DEFINITIONS

In this announcement, the following expressions shall have (unless the context otherwise requires) the following meanings:

“Ancillary Living Services”	off-campus training services, property agency services, employment placement services and laundry services
“associate(s)”	has the meaning ascribed to such term under the Listing Rules
“Board”	board of Directors
“Clifford Aged Home”	Clifford Aged Home Company Limited* (廣州市祈福護老公寓有限公司), a company established in the PRC and a member of Ms. Wendy Man's Group
“Clifford Estates Panyu”	Clifford Estates (Panyu) Limited* (廣州市番禺祈福新邨房地產有限公司), a company established in the PRC with limited liability and a member of the Private Group

“Company”	Clifford Modern Living Holdings Limited (祈福生活服務控股有限公司), a company incorporated in the Cayman Islands as an exempted company with limited liability and whose issued Shares are listed on the Stock Exchange (stock code: 3686)
“connected person(s)”	has the meaning ascribed to such term under the Listing Rules
“controlling shareholder”	has the meaning ascribed to such term under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held for the Independent Shareholders to consider and (if thought fit) approve the ordinary resolution(s) in respect of the Supplemental Master Agreements and the transactions contemplated thereunder (including the respective Revised Annual Caps), or any adjournment thereof
“Existing CSA Annual Caps”	the original annual caps for the transactions under the Master Composite Services Agreement for the three years ending 31 December 2018, as disclosed in the Prospectus
“Existing Master Agreements”	collectively, the Master Tenancy Agreement and the Master Composite Services Agreement
“Existing TA Annual Caps”	the original annual caps for the lease transactions under the Master Tenancy Agreement for the three years ending 31 December 2018, as disclosed in the Prospectus
“FY2014”, FY2015” and “FY2016”	each of the financial years ended 31 December 2014, 31 December 2015 and 31 December 2016, respectively
“FY2017” and “FY2018”	each of the financial years ending 31 December 2017 and 31 December 2018, respectively
“GDP”	gross domestic product (and all references to GDP growth rates are real as opposed to nominal rates of GDP growth)
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Board Committee”	the independent board committee, comprising all the INEDs (namely Ms. LAW Elizabeth, Mr. HO Cham and Mr. MAK Ping Leung) established to make recommendations to the Independent Shareholders with regard to the Supplemental Master Agreements, the transactions contemplated thereby and the Revised Annual Caps
“Independent Financial Adviser”	Dakin Capital Limited, a corporation licensed to carry out type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders
“Independent Shareholder(s)”	Shareholder(s) who are not required to abstain from voting at the EGM to approve (among other matters) the Supplemental Master Agreements
“Independent Third Party(ies)”	individual(s) or company(ies) who is not or are not a connected person(s) (within the meaning ascribed to it under the Listing Rules)
“INED(s)”	independent non-executive Director(s)
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Master Composite Services Agreement” or “MCSA”	the master composite services agreement dated 21 October 2016 and entered into between the Company on the one part, and Clifford Estates Panyu and Clifford Aged Home on the other part, pursuant to which the terms of provision of certain services stated therein by the Group to Clifford Estates Panyu and Clifford Aged Home are regulated
“Master Tenancy Agreement” or “MTA”	the master tenancy agreement entered into between Clifford Estates Panyu and the Company dated 21 October 2016, pursuant to which the Private Group agreed to lease certain properties to the Group
“Ms. Wendy Man”	Ms. MAN Lai Hung, an executive Director, the chairman of the Board and one of the controlling shareholders of the Company
“Ms. Wendy Man’s Spouse”	Mr. PANG Lun Kee Clifford (彭磷基先生), the spouse of Ms. Wendy Man
“Ms. Wendy Man’s Group”	such companies which are under the control of (or 30% or more of the issued share capital of which are owned by) Ms. Wendy Man, other than the Group

“PRC”	People’s Republic of China
“Private Group”	such companies which are under the control of (or 30% of more of the issued share capital of which are owned by) Ms. Wendy Man’s Spouse
“Prospectus”	the prospectus of the Company dated 27 October 2016
“Revised Annual Caps”	collectively, the Revised CSA Annual Caps and the Revised TA Annual Caps
“Revised CSA Annual Cap(s)”	the proposed revised annual cap(s) for FY2017 and FY2018 in respect of the service fees to be received from the provision of services under the Master Composite Services Agreement (as amended and supplemented by the Supplemental MCSA)
“Revised TA Annual Cap(s)”	the proposed revised annual cap(s) for FY2017 and FY2018 in respect of the rental charges payable by the Group to the Private Group under the Master Tenancy Agreement (as amended and supplemented by the Supplemental MTA)
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended and modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“sq. m.”	square metre(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to such term under the Listing Rules
“Supplemental Master Agreements”	collectively, the Supplemental MCSA and the Supplemental MTA

“Supplemental Master Composite Services Agreement” or “Supplemental MCSA”	the supplemental agreement dated 28 April 2017 and entered into between the Company on the one part, and Clifford Estates Panyu and Clifford Aged Home on the other part, pursuant to which the parties thereto agreed to revise certain terms of the Master Composite Services Agreement
“Supplemental Master Tenancy Agreement” or “Supplemental MTA”	the supplemental agreement dated 28 April 2017 and entered into between Clifford Estates Panyu and the Company, pursuant to which the parties thereto agreed to revise certain terms of the Master Tenancy Agreement
“%”	per cent.

By order of the Board
Clifford Modern Living Holdings Limited
MAN Lai Hung
Chairman of the Board

Hong Kong, 28 April 2017

As at the date of this announcement, the board of directors of the Company comprises Ms. MAN Lai Hung, Mr. SUN Derek Wei Kong, Mr. LEONG Chew Kuan 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 as independent non-executive Directors.