A-LIVING SERVICES CO., LTD.*

雅居樂雅生活服務股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

Stock Code: 3319

GLOBAL OFFERING

Joint Sponsors

HSBC 滙豐

華泰金融控股(香港)有限公司
HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED

Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

HSBC 滙豐

華泰金融控股(香港)有限公司
HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED

Morgan Stanley

Joint Bookrunners and Joint Lead Managers

BNP PARIBAS

農銀國際
ABC INTERNATIONAL

建银国际
CCB International

ICBC 工银国际

中信建投國際
China Securities International

*For identification purposes only

IMPORTANT

If you are in any doubt about any of the contents of this prospectus, you should obtain independent professional advice.

A-LIVING SERVICES CO., LTD.*

雅居樂雅生活服務股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

GLOBAL OFFERING

Number of Offer Shares	**:**	**333,334,000 H Shares (subject to the Over-allotment Option)**
Number of Hong Kong Offer Shares	**:**	**33,334,000 H Shares (subject to reallocation)**
Number of International Offer Shares	**:**	**300,000,000 H Shares including 27,835,340 Reserved Shares under the Preferential Offering (subject to reallocation and the Over-allotment Option)**
Maximum Offer Price	**:**	**HK$14.20 per H Share, plus brokerage of 1.0%, Stock Exchange trading fee of 0.005% and SFC transaction levy of 0.0027%, payable in full on application and subject to refund**
Nominal Value	**:**	**RMB1.00 per H Share**
Stock Code	**:**	**3319**

Joint Sponsors

HSBC 滙豐

華泰金融控股（香港）有限公司 HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED

Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

HSBC 滙豐

華泰金融控股（香港）有限公司 HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED

Morgan Stanley

Joint Bookrunners and Joint Lead Managers

BNP PARIBAS

農銀國際 ABC INTERNATIONAL

建银国际 CCB International

ICBC 工银国际

中信建投國際 China Securities International

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this prospectus, make no representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this prospectus.

A copy of this prospectus, having attached thereto the documents specified in Appendix VIII "Documents Delivered to the Registrar of Companies and Available for Inspection" to this prospectus, has been registered by the Registrar of Companies as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility for the contents of this prospectus or any other document referred to above.

The Offer Price is expected to be fixed by agreement between the Joint Global Coordinators (on behalf of the Hong Kong Underwriters) and us on the Price Determination Date. The Price Determination Date is expected to be on or about Saturday, February 3, 2018 and, in any event, not later than Thursday, February 8, 2018. The Offer Price will be not more than HK$14.20 and is currently expected to be not less than HK$10.80. Applicants for Hong Kong Offer Shares are required to pay, on application, the Maximum Offer Price of HK$14.20 for each Hong Kong Offer Share together with brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%, subject to refund if the Offer Price as finally determined is less than HK$14.20. If, for any reason, the Offer Price is not agreed by Thursday, February 8, 2018 between the Joint Global Coordinators (on behalf of the Hong Kong Underwriters) and us, the Global Offering will not proceed and will lapse.

The Joint Global Coordinators (on behalf of the Underwriters, and with our consent) may, where considered appropriate, reduce the number of Offer Shares and/or the indicative Offer Price Range below that is stated in this prospectus at any time prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, notices of the reduction in the number of Offer Shares and/or the indicative Offer Price Range will be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering. Such notices will also be available on the website of our Company at www.agileliving.com.cn and on the website of the Stock Exchange at www.hkexnews.hk. Further details are set forth in the sections entitled "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares and Reserved Shares" in this prospectus.

We are incorporated, and substantially all of our businesses are located, in the PRC. Potential investors should be aware of the differences in legal, economic and financial systems between the PRC and Hong Kong and that there are different risk factors relating to investments in PRC-incorporated companies. Potential investors should also be aware that the regulatory framework in the PRC is different from the regulatory framework in Hong Kong and should take into consideration the different market nature of the H Shares. Such differences and risk factors are set out in "Risk Factors," "Appendix V—Summary of Principal PRC and Hong Kong Legal and Regulatory Provisions" and "Appendix VI—Summary of the Articles of Association" to this prospectus.

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement to subscribe for, and to procure applicants for the subscription for, the Hong Kong Offer Shares, are subject to termination by the Joint Global Coordinators (on behalf of the Hong Kong Underwriters) if certain grounds arise prior to 8:00 a.m. on the Listing Date. Such grounds are set out in the section entitled "Underwriting—Underwriting Arrangements and Expenses—Hong Kong Public Offering—Grounds for Termination" in this prospectus. It is important that you refer to that section for further details.

Prior to making an investment decision, prospective investors should consider carefully all the information set forth in this prospectus, including but not limited to the risk factors set forth in the section entitled "Risk Factors" in this prospectus.

The Offer Shares have not been and will not be registered under the U.S. Securities Act or any state securities law in the United States and may not be offered, sold, pledged or transferred within the United States, except that the Offer Shares may be offered, sold or delivered (i) within the United States in reliance on an exemption from registration under the U.S. Securities Act provided by, and in accordance with the restrictions of, Rule 144A under the U.S. Securities Act or another exemption from registration under the U.S. Securities Act; and (ii) in offshore transactions outside the United States in reliance on Regulation S under the U.S. Securities Act.

Monday, January 29, 2018

* *for identification purposes only*

Despatch of **BLUE** Application Forms to Qualifying Agile Shareholders on or before	Monday, January 29, 2018
Hong Kong Public Offering and Preferential Offering commence and **WHITE** and **YELLOW** Application Forms available from	9:00 a.m. on Monday, January 29, 2018
Latest time for completing electronic applications under the **HK eIPO White Form** service through the designated website **www.hkeipo.hk**[2]	11:30 a.m. on Friday, February 2, 2018
Application lists open[3]	11:45 a.m. on Friday, February 2, 2018
Latest time for (a) lodging **WHITE**, **YELLOW** and **BLUE** Application Forms, (b) completing payment for **HK eIPO White Form** applications by effecting internet banking transfer(s) or PPS payment transfer(s), and (c) giving electronic application instructions to HKSCC	12:00 noon on Friday, February 2, 2018
Application lists close[3]	12:00 noon on Friday, February 2, 2018
Expected Price Determination Date	Saturday, February 3, 2018
(1) Announcement of the Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the Preferential Offering and the basis of allocation of the Hong Kong Offer Shares and the Reserved Shares to be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) on or before	Thursday, February 8, 2018
(2) Results of allocations in the Hong Kong Public Offering and the Preferential Offering to be available through a variety of channels as described in the section entitled "How to Apply for Hong Kong Offer Shares and Reserved Shares—E. Publication of Results" from	Thursday, February 8, 2018
(3) Announcement containing (1) and (2) above to be published on the website of the Stock Exchange at **www.hkexnews.hk** and the Company's website at **www.agileliving.com.cn** from	Thursday, February 8, 2018
Results of allocations in the Hong Kong Public Offering and the Preferential Offering will be available at **www.tricor.com.hk/ipo/result** with a "search by ID" function from	Thursday, February 8, 2018
Despatch/Collection of H Share certificates[4] and refund cheques/ **HK eIPO** White Form e-Auto Refund payment instructions (if applicable) on or before	Thursday, February 8, 2018
Dealings in the H Shares on the Stock Exchange expected to commence on	Friday, February 9, 2018

Notes:

(1) All dates and times refer to Hong Kong dates and times.

(2) You will not be permitted to submit your application under the **HK eIPO White Form** service through the designated website at **www.hkeipo.hk** after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained an application reference number from the designated website at or before 11:30 a.m., you will be permitted to continue the application process (by completing payment of application monies) until 12:00 noon on the last day for submitting applications, when the application lists close.

(3) If there is a tropical cyclone warning signal number 8 or above or a "black" rainstorm warning signal in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Friday, February 2, 2018, the application lists will not open or close on that day. See "How to Apply for Hong Kong Offer Shares and Reserved Shares—D. Effect of Bad Weather on the Opening and Closing of the Application Lists."

(4) The H Share certificates will only become valid certificates of title at 8:00 a.m. on the Listing Date, which is expected to be Friday, February 9, 2018, provided that the Global Offering has become unconditional in all respects. Investors who trade H Shares on the basis of publicly available allocation details prior to the receipt of H Share certificates or prior to the H Share certificates becoming valid do so entirely at their own risk.

For details of the structure of the Global Offering, including its conditions, and the procedures for applications for Hong Kong Offer Shares and Reserved Shares, see "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares and Reserved Shares," respectively.

If the Global Offering does not become unconditional or is terminated in accordance with its terms, the Global Offering will not proceed. In such a case, the Company will make an announcement as soon as practicable thereafter.

The **BLUE** Application Forms have been despatched to all Qualifying Agile Shareholders save for certain core connected persons of the Company who will not participate in the Preferential Offering. In addition, Qualifying Agile Shareholders will receive a copy of this prospectus in the manner in which they have elected, or are deemed to have elected, to receive corporate communications under Agile Holdings' corporate communications policy.

If a Qualifying Agile Shareholder has elected to receive corporate communications from Agile Holdings in printed form under Agile Holdings' corporate communications policy or has not been asked to elect the means of receiving Agile Holdings' corporate communications, a printed copy of this prospectus in the elected language version(s) will be despatched to such Qualifying Agile Shareholder.

If a Qualifying Agile Shareholder has (a) elected to receive an electronic version of corporate communications or (b) is deemed to have consented to receiving the electronic version of corporate communications from Agile Holdings, an electronic version of this prospectus which is identical to the printed prospectus can be accessed and downloaded from the websites of the Company at **www.agileliving.com.cn** and the Stock Exchange at **www.hkexnews.hk** under the section entitled "HKEXnews > Listed Company Information > Latest Listed Company Information." A Qualifying Agile Shareholder who has elected to receive or is deemed to have consented to receiving the electronic version of this prospectus may at any time request for a printed copy of this prospectus, free of charge, by sending a request in writing to Tricor Investor Services Limited or by email to Tricor Investor Services Limited at **is-enquiries@hk.tricorglobal.com**. Tricor Investor Services Limited will promptly, upon request, send by ordinary post a printed copy of this prospectus to such Qualifying Agile Shareholder, free of charge, although such Qualifying Agile Shareholder may not receive that printed copy of this prospectus before the close of the Hong Kong Public Offering and the Preferential Offering.

Qualifying Agile Shareholders may also obtain a printed copy of this prospectus, free of charge, during normal business hours from any of the designated branches of the receiving bank and the designated offices of each of the Joint Global Coordinators as set out in "How to Apply for Hong Kong Offer Shares and Reserved Shares." Distribution of this prospectus and/or the **BLUE** Application Forms into any jurisdiction other than Hong Kong may be restricted by law. Persons into whose possession this prospectus and/or the **BLUE** Application Forms come (including, without limitation, agents, custodians, nominees and trustees) should inform themselves of, and observe, any such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, this prospectus should not be distributed, forwarded or transmitted in, into or from any of the Specified Territories with or without the **BLUE** Application Forms, except to Qualifying Agile Shareholders as specified in this prospectus.

CONTENTS

IMPORTANT NOTICE TO INVESTORS

This prospectus is issued by A-Living Services Co., Ltd. solely in connection with the Hong Kong Public Offering and does not constitute an offer to sell or a solicitation of an offer to buy any security other than the Hong Kong Offer Shares offered by this prospectus pursuant to the Hong Kong Public Offering. This prospectus may not be used for the purpose of, and does not constitute, an offer or a solicitation of an offer to subscribe for or buy, any security in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Offer Shares or the distribution of this prospectus in any jurisdiction other than Hong Kong. The distribution of this prospectus and the offering and sale of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

You should rely only on the information contained in this prospectus and the Application Forms to make your investment decision. We have not authorized anyone to provide you with information that is different from what is contained in this prospectus. Any information or representation not made in this prospectus must not be relied on by you as having been authorized by us, the Joint Sponsors, Joint Global Coordinators and Joint Bookrunners, any of the Underwriters, any of our or their respective directors, officers or representatives, or any other person or party involved in the Global Offering.

	Page
EXPECTED TIMETABLE	i
CONTENTS	iv
SUMMARY	1
DEFINITIONS	16
GLOSSARY OF TECHNICAL TERMS	31
FORWARD-LOOKING STATEMENTS	34
RISK FACTORS	36
INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING	67
DIRECTORS, SUPERVISORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING	72
CORPORATE INFORMATION	78
WAIVERS AND EXEMPTION FROM COMPLIANCE WITH THE LISTING RULES AND COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE	80
INDUSTRY OVERVIEW	85
REGULATORY OVERVIEW	95

CONTENTS

	Page
HISTORY, REORGANIZATION AND CORPORATE STRUCTURE	109
BUSINESS	124
RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS	185
CONNECTED TRANSACTIONS	194
DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT	209
SHARE CAPITAL	226
SUBSTANTIAL SHAREHOLDERS	231
FINANCIAL INFORMATION	235
FUTURE PLANS AND USE OF PROCEEDS	297
UNDERWRITING	300
STRUCTURE OF THE GLOBAL OFFERING	311
HOW TO APPLY FOR HONG KONG OFFER SHARES AND RESERVED SHARES	324
APPENDIX I — ACCOUNTANT'S REPORT	I-1
APPENDIX II — UNAUDITED PRO FORMA FINANCIAL INFORMATION	II-1
APPENDIX III — PROFIT ESTIMATE	III-1
APPENDIX IV — TAXATION AND FOREIGN EXCHANGE	IV-1
APPENDIX V — SUMMARY OF PRINCIPAL PRC AND HONG KONG LEGAL AND REGULATORY PROVISIONS	V-1
APPENDIX VI — SUMMARY OF THE ARTICLES OF ASSOCIATION	VI-1
APPENDIX VII — STATUTORY AND GENERAL INFORMATION	VII-1
APPENDIX VIII — DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES AND AVAILABLE FOR INSPECTION	VIII-1

This summary aims to give you an overview of the information contained in this prospectus. As this is a summary, it does not contain all the information that may be important to you. You should read this prospectus, including the appendixes, in its entirety before you decide to invest in the Offer Shares. There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section entitled "Risk Factors" in this prospectus. You should read that section carefully before you decide to invest in the Offer Shares.

BUSINESS OVERVIEW

We are a reputable property management service provider in China focusing on mid- to high-end properties. We offer a comprehensive portfolio of services. In June 2017, we acquired Greenland Property Services, and, in August 2017, brought in Greenland Holdings as a strategic shareholder. Supported by Agile Group and Greenland Holdings, two industry leaders in property development, we operate under the two renowned brands, "雅居樂物業 (Agile Property Management)" and "綠地物業 (Greenland Property Services)."

We pride ourselves in having provided property management services in China for almost 25 years, and our extensive industry experience differentiates us from many of our competitors. In 2017, we were ranked 12th among property management companies in China in terms of brand value and overall strength by China Real Estate Association and China Real Estate Appraisal. In 2017, we were ranked 13th among the "Top 100 Property Management Companies" in terms of overall strength(1) according to China Index Academy, or CIA. We were ranked 22nd among the "Top 100 Property Management Companies" with a market share of approximately 0.3% in terms of total GFA under management as of December 31, 2016, according to CIA. As of September 30, 2017, we provided property management services in 65 cities in China with a total GFA under management of approximately 76.2 million sq.m., and served more than one million property owners and residents.

We are committed to building "雅居樂物業 (Agile Property Management)" into a leading brand in China's vacation property management industry. According to CIA, we were ranked first among the Top 100 Property Management Companies in China in terms of the total contracted GFA of vacation properties, with a total contracted GFA of approximately 14.3 million sq.m. as of December 31, 2016. We had a total GFA of vacation properties under management of approximately 4.8 million sq.m. as of December 31, 2016. As of September 30, 2017, we provided management services for 17 vacation properties in various areas with development potential in Guangdong, Hainan, Yunnan and Hunan, with a total GFA under management of approximately 5.6 million sq.m. According to CIA, the aggregate GFA of vacation properties managed by the Top 100 Property Management Companies accounted for less than 5.0% of the total GFA of all types of properties managed by them as of December 31, 2016.

Our Listing will constitute a spin-off from Agile Holdings, our Controlling Shareholder. During the Track Record Period, we derived a majority of our revenue from management services for properties developed by Agile Group, which accounted for 72.0%, 73.9%, 78.6% and 76.8%, respectively, of our total revenue in 2014, 2015, 2016 and the nine months ended September 30, 2017.

(1) The ranking is based on a comprehensive set of criteria, including size, quality of service, growth potential, operating results and social responsibility.

OUR BUSINESS MODEL

We have three major business lines, namely property management services, value-added services to non-property owners and value-added services to property owners, forming an integrated service spectrum covering the entire value chain of property management.

- ***Property management services*** — We provide a wide range of property management services to property developers, property owners and residents and property management companies, including, among others, security, cleaning, greening, gardening, and repairs and maintenance services, with a focus on mid- to high-end residential properties (including vacation properties) and non-residential properties (including commercial properties, office buildings and multi-purpose complexes). We also provide consultancy services to local property management companies. We charge property management fees for property management services primarily on a lump sum basis with a very small portion on a commission basis. When we are engaged on a lump sum basis, we are entitled to retain as revenue the full amount of property management fees we receive. Out of such fees, we pay out our expenses associated with providing property management services, which we recognize as our cost of sales. If the amount of property management fees we collect is insufficient to cover all the expenses incurred, we are not entitled to request the property owners to pay for the shortfall. When we are engaged on a commission basis, we essentially act as an agent of the property owners. We are entitled to first retain as revenue a pre-determined percentage (generally 8% to 10%) of the property management fees the property owners and residents pay, and we reserve the remainder as working capital to cover the expenses associated with our property management services. The costs relating to the performance of our services are typically borne by property owners through the community management offices, and as a result we do not incur any direct cost in general.

- ***Value-added services to non-property owners*** — We mainly offer non-property owners (mainly property developers) sales assistance services (including visitor reception, display unit cleaning, security and maintenance, preliminary planning and design consultancy services), as well as advertising, property agency and home inspection services.

- ***Value-added services to property owners*** — We provide two types of value-added services to property owners and residents, namely resident services and property value management services. Our resident services include housekeeping, housing and shop brokerage, turnkey furnishing, smart home services, community travel agency and other bespoke professional services, leveraging our offline property management services and online integrated one-stop service platform. Our property value management services focus on preserving and increasing the value of our property owners' assets, such as parking space sale and residential property leases.

Aiming to provide a wide assortment of lifestyle products, we launched a one-stop service platform in July 2016 that integrates (i) key mobile applications, including "A-Steward" (雅管家), "A-Business" (雅商家) and "A-Assistant" (雅助手), as well as "A-Steward" Wechat Public Account, (ii) offline services, including A-Living Experience Center (雅生活體驗中心), and (iii) merchandise supplier and service provider network platform on A-Steward Alliance (雅管家聯盟). As of

September 30, 2017, our "A-Steward" mobile application covered all of the residential properties under our management (other than those under Greenland Property Services' management), and attracted more than 238,900 registered users and over 98,600 active users (being registered users who opened the application at least once during a calendar month). As of September 30, 2017, 60 merchandise suppliers and service providers had established a strategic alliance with us through "A-Steward Alliance."

The table below sets forth a breakdown of our revenue for the periods indicated:

	For the year ended December 31,						For the nine months ended September 30,			
	2014		2015		2016		2016		2017	
	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000) (Unaudited)	(%)	(RMB'000)	(%)
Property management services	595,030	72.0	690,729	73.9	977,863	78.6	675,381	77.5	898,192	76.8
Value-added services to non-property owners	188,819	22.9	185,987	19.9	212,247	17.0	149,997	17.2	206,028	17.6
Value-added services to property owners	42,250	5.1	57,696	6.2	54,625	4.4	46,432	5.3	64,648	5.6
Total	**826,099**	**100.0**	**934,412**	**100.0**	**1,244,735**	**100.0**	**871,810**	**100.0**	**1,168,868**	**100.0**

The tables below set forth a breakdown of our total operational costs by nature and a breakdown of our total cost of sales for the periods indicated:

	For the year ended December 31,			For the nine months ended September 30,	
	2014	2015	2016	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Cost of sales	727,279	785,597	933,088	656,547	785,699
Selling and marketing expenses	6,830	8,810	19,057	10,318	21,664
Administrative expenses	31,694	51,681	78,692	46,004	103,152
Other expenses	471	2,258	1,331	455	477

	For the year ended December 31,						For the nine months ended September 30,			
	2014		2015		2016		2016		2017	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000	%
Cost of Sales										
Employee benefit expenses	435,624	59.9	457,151	58.2	510,797	54.7	364,285	55.5	417,836	53.2
Utilities	61,031	8.4	50,360	6.4	83,853	9.0	57,116	8.7	64,138	8.2
Cleaning expenses	54,014	7.4	65,207	8.3	108,501	11.6	74,887	11.4	99,531	12.7
Business taxes and other levies	45,360	6.2	51,445	6.5	23,572	2.5	23,107	3.5	7,594	1.0
Maintenance costs	29,877	4.1	39,199	5.0	61,350	6.6	40,930	6.2	54,972	7.0
Cost of consumables	27,549	3.8	33,328	4.2	31,647	3.4	18,499	2.8	34,669	4.4
Greening and gardening expenses	26,526	3.6	29,395	3.7	35,900	3.8	25,420	3.9	34,200	4.4
Operating lease payments	13,046	1.8	15,386	2.0	9,529	1.0	5,452	0.8	7,427	0.9
Cost of selling parking lots and shops	4,749	0.7	13,387	1.7	10,011	1.1	6,417	1.0	11,413	1.5
Consulting fees	1,176	0.2	1,248	0.2	27,495	3.0	15,735	2.4	14,961	1.9
Others	28,327	3.9	29,491	3.8	30,433	3.3	24,699	3.8	38,958	4.8
Total	**727,279**	**100.0**	**785,597**	**100.0**	**933,088**	**100.0**	**656,547**	**100.0**	**785,699**	**100.0**

The following table sets forth a breakdown of our gross profit and gross profit margin derived from each business line for the periods indicated.

	For the year ended December 31,						For the nine months ended September 30,			
	2014		2015		2016		2016		2017	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000	%
Property management services	65,558	11.0	104,191	15.1	243,744	24.9	167,532	24.8	289,471	32.2
Value-added services to non-property owners	22,587	12.0	29,134	15.7	52,556	24.8	33,973	22.6	66,663	32.4
Value-added services to property owners	10,675	25.3	15,490	26.8	15,347	28.1	13,758	29.6	27,035	41.8
	98,820	**12.0**	**148,815**	**15.9**	**311,647**	**25.0**	**215,263**	**24.7**	**383,169**	**32.8**

The growth in the gross profit margin during the Track Record Period was primarily attributable to (i) a decrease in our labor cost as a result of an increase in subcontracting of our cleaning, maintenance and repairs, greening and gardening services, (ii) our successful labor force optimization starting from the second half of 2015, (iii) economies of scale, and (iv) the general increase in average property management fee charged for the residential properties we managed during the Track Record Period. For further details, see "Financial Information—Results of Operations" in this prospectus.

OUR COMPETITIVE STRENGTHS

We believe the following competitive strengths position us well in the property management industry of the PRC and differentiate us from our competitors: (i) a first-mover with a competitive market position in the property management industry in China; (ii) competitiveness enhanced by the support from Agile Group and Greenland Holdings, our two major shareholders; (iii) dual-brand strategy of "雅居樂物業 (Agile Property Management)" and "綠地物業 (Greenland Property Services)" standing for excellent service quality and management capabilities; (iv) an expert in vacation property management and a pioneer in large-scale property management; (v) diversified property management portfolios, operating revenue streams and service offerings; (vi) integrated and convenient one-stop service platform; (vii) management digitalization, service specialization, process standardization and operation automation; and (viii) experienced and professional management team as well as human resources policies designed to cultivate outstanding employees.

OUR BUSINESS STRATEGIES

We are committed to becoming a comprehensive resident service management platform in China which embraces international standards. To that end, we intend to implement the following business strategies: (i) further increase our business scale and market share; (ii) expand our property management service portfolio by pursuing strategic investment, acquisition and alliance opportunities; (iii) continue to develop the full value industry chain for value-added services to non-property owners; (iv) develop diverse and differentiated value-added services to property owners to enhance property value and increase customer loyalty; (v) further strengthen the implementation of management digitalization, service specialization, procedure standardization and operation automation; and (vi) continue to develop one-stop service platform to optimize service experience.

PROPERTY MANAGEMENT SERVICES

Revenue derived from property management services had been the major contributor to our total revenue during the Track Record Period, which accounted for 72.0%, 73.9%, 78.6% and 76.8%, respectively, of our total revenue in 2014, 2015, 2016 and the nine months ended September 30, 2017. The increase in the absolute amount in revenue was primarily attributable to the increase in our total GFA under management which was approximately 24.4 million sq.m., 35.0 million sq.m., 50.1 million sq.m. and 76.2 million sq.m. (including the 2.0 million sq.m. of GFA managed by Greenland Property Services which we acquired in June 2017), respectively, as of December 31, 2014, 2015 and 2016 and September 30, 2017. The following tables set forth a breakdown of total GFA under management as of the dates and of revenue generated from property management by property developer and by major type of properties, respectively, for the periods indicated.

	As of or for the year ended December 31,									As of or for the nine months ended September 30,					
	2014			2015			2016			2016			2017		
	GFA	Revenue		GFA	Revenue		GFA	Revenue		GFA	Revenue		GFA	Revenue	
	(sq.m.)	(RMB)	%	(sq.m.)	(RMB)	%	(sq.m.)	(RMB)	%	(sq.m.)	(RMB) (Unaudited)	%	(sq.m.)	(RMB)	%
	(in thousands, except for percentages)														
Agile Group	24,427	595,030	100.0	29,527	690,334	99.9	34,280	798,862	81.7	33,783	553,044	81.9	41,411	719,673	80.1
Greenland Holdings	—	—	—	—	—	—	—	—	—	—	—	—	1,893	17,250	1.9
Third-party property developers[(1)]	—	—	—	5,520	395	0.1	15,775	179,001	18.3	11,582	122,337	18.1	32,880	161,269	18.0
Total	**24,427**	**595,030**	**100.0**	**35,047**	**690,729**	**100.0**	**50,055**	**977,863**	**100.0**	**45,365**	**675,381**	**100.0**	**76,184**	**898,192**	**100.0**

Note:

(1) Refers to property developers other than Agile Group and Greenland Holdings.

We have taken continuous efforts to expand our property management services to also cover properties developed by independent third-party property developers, as demonstrated in the surge in the GFA under management from properties developed by third-party property developers during the Track Record Period. The revenue generated from such properties did not increase in line with the increase in the relevant GFA under management, primarily because a majority of the revenue generated from properties developed by independent third-party property developers was consultancy fees in relation to the provision of consultancy services to them, which were generally much lower than the property management fee we charged. In 2015, 2016 and the nine months ended September 30, 2017, the revenue from consultancy services to third-party property developers was RMB0.4 million, RMB4.4 million and RMB6.8 million, respectively; and the GFA under management in relation to the consultancy services was 3.1 million sq.m., 7.3 million sq.m. and 23.5 million sq.m., respectively.

	As of or for the year ended December 31,									As of or for the nine months ended September 30,					
	2014			2015			2016			2016			2017		
	GFA	Revenue		GFA	Revenue		GFA	Revenue		GFA	Revenue		GFA	Revenue	
	(sq.m.)	RMB	%	(sq.m.)	RMB	%	(sq.m.)	RMB	%	(sq.m.)	RMB (Unaudited)	%	(sq.m.)	RMB	%
	(in thousands, except for percentages)														
Residential properties	24,282	583,786	98.1	34,701	673,744	97.5	48,783	806,655	82.5	44,238	524,788	77.7	56,505	699,957	77.9
Non-residential properties	145	11,244	1.9	346	16,985	2.5	1,272	171,208	17.5	1,127	150,593	22.3	19,679	198,235	22.1
Total	**24,427**	**595,030**	**100.0**	**35,047**	**690,729**	**100.0**	**50,055**	**977,863**	**100.0**	**45,365**	**675,381**	**100.0**	**76,184**	**898,192**	**100.0**

We procure most of our initial property management service engagements from property developers through standard public tender procedures regulated by applicable PRC laws and regulations. In 2014, 2015, 2016 and the nine months ended September 30, 2017, the success rates of our tender bids for properties developed by Agile Group were 100.0%, 88.9%, 100.0% and 100.0%, respectively; and the success rates of our tender bids for properties developed by property developers other than Agile Group were nil, 26.1%, 28.4% and 35.2%, respectively, for the same periods.

OUR COOPERATION WITH GREENLAND HOLDINGS

In June 2017, we established a strategic alliance with Greenland Holdings, an industry leader in property development. On June 30, 2017, we acquired Greenland Property Services from Greenland Holdings. In August 2017, Greenland Holdings became our long-term strategic shareholder through the capital injection of RMB1.0 billion in our Company for a 20% equity interest in our Company. Greenland Holdings has agreed to, under an investment cooperation framework agreement with us and Agile Group, to the extent permitted by law, endeavor to engage us as their property management service provider and to deliver a GFA of not less than 7.0 million sq.m. per annum to us for management, and to give us priority when selecting their future property management service provider for properties it develops for an additional GFA of 3.0 million sq.m. per annum, during the period from January 1, 2018 to December 31, 2022. In addition to property management support from Greenland Holdings, under the same agreement, we have agreed to cooperate with Greenland Holdings in other areas, including community value-added services, advertising, property agency and home inspection services. The cooperation with Greenland Holdings is of strategic significance to us with respect to increasing our business scale, improving our market coverage, enriching our service portfolio, expanding our mid- to high-end customer base and integrating our value-added service offerings.

Acquisition of Greenland Property Services

In connection with the acquisition of Greenland Property Services, we paid a total purchase price of RMB1,000.0 million. Such purchase price was determined on an arm's length basis, taking into account the prospects of the business and cooperation between Greenland Holdings and our Company. The financial performance and cash flows of Greenland Property Services as of and for the three months ended September 30, 2017 were included in our consolidated financial statements. For key financial and operational information on Greenland Property Services, see "Business—Our Cooperation with Greenland Holdings" of this prospectus. Upon the acquisition of Greenland Property Services, we recorded a significant amount of goodwill of RMB919.0 million in our consolidated balance sheet as of September 30, 2017, reflecting the difference between the total acquisition consideration of RMB1,000.0 million and Greenland Property Services' total identifiable net assets of RMB81.0 million as of June 30, 2017. We also recorded other intangible assets of RMB91.7 million (including trademarks of RMB17.1 million and customer relationship of RMB74.6 million) in our consolidated balance sheet as of September 30, 2017 in relation to such acquisition.

The valuation of our goodwill and other intangible assets arising from the acquisition of Greenland Property Services was conducted by ValueLink using the discounted cash flow method. For details on key assumptions and parameters for the valuation, see the section entitled "Financial Information—Description of Certain Consolidated Balance Sheet Items—Goodwill" in this prospectus. Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. In the case that the recoverable amount of such cash-generating unit is less than the carrying amount of the goodwill, an impairment loss is recognized.

Goodwill is normally tested for impairment annually. We voluntarily performed an impairment test of goodwill as of September 30, 2017. To determine the recoverable amount of the cash-generating unit of Greenland Property Services, a value-in-use ("VIU") calculation was adopted, using cash flow projections based on financial budgets covering a seven-year period (being two years longer than the usual period of five years). Management extended the five–year projections as suggested by HKAS 36 for additional two years based on the following considerations:

(i) Based on the Company and management's past experience, termination or non-renewal of property management contracts with property developers or property owners' associations are uncommon. In addition, the monthly property management fee and the percentage of cost to income generated from property management are stable. These provide a reasonable basis for the management to forecast cash flows reliably over a longer period.

(ii) During the period from January 1, 2018 to December 31, 2022, the significant increment in projected revenue of Greenland Property Services is primarily attributable to the 10 million sq.m. incremental GFA under management that Greenland Holdings will endeavor to deliver each year according to the investment cooperation framework agreement with Greenland Holdings. The management considered that before the projections move into a long term stable period, such momentum of revenue growth during 2018 to 2022 will continue for another two years after 2022, during which the annual revenue growth rate gradually drops from 30% in year 2022 to 16% in year 2023 and further drops to a normal level of 7% in year 2024.

There are certain key assumptions that our management has based on for cash flow projections, such as revenue growth at a rate of 305% and 129%, respectively, for 2018 and 2019. The VIU calculation was based on: 1) reasonable and supportable assumptions that represent the management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset; 2) the most recent financial budgets/forecasts approved by the management which include estimated future cash flows expected to arise from future events such as those contemplated by the investment cooperation framework agreement and 3) cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections using a long term growth rate for subsequent years. The VIU calculation has reflected the latest development of Greenland Property Services in the three months ended September 30, 2017. For further details in the key assumptions, the justifications for the assumptions and for the calculation of total revenues and annual growth rates for each of the years from 2018 to 2024 based on the additional GFA Greenland Holdings promised to endeavor to deliver to the Group for management, please refer to the section entitled "Financial Information—Description of Certain Consolidated Balance Sheet Items—Goodwill" in this prospectus.

Based on these assumptions and calculation, as of September 30, 2017, the recoverable amount of the property management business operated by Greenland Property Services exceeded its carrying value by RMB96 million. In the case of (i) a 1.72% decrease in estimated annual revenue growth rate, (ii) a 0.45% decrease in estimated gross margin, (iii) a 2.51% decrease in estimated long-term growth rate or (iv) a 1.18% increase in estimated discount rate, all changes taken in isolation in the VIU calculation, the remaining excess carrying value of RMB96 million would be removed. For details, see footnote 16 of "Appendix I—Accountant's Report" to this prospectus.

By reference to the subsequent assessment of recoverable amount as of September 30, 2017 by ValueLink, our Directors determined that no impairment provision on goodwill and other intangible assets was required as of September 30, 2017. However, the fair value of the goodwill may decrease in the future and the relevant assumptions may differ from the actual performance. In any of these cases, we may need to make a goodwill impairment, which may have a material and adverse effect on our financial position and results of operations. See the section entitled "Risk Factors—Risks Relating to Our Business and Industry—We acquired Greenland Property Services in June 2017 and may fail to achieve the desired benefits from such acquisition or may need to make an impairment with respect to the goodwill of RMB919.0 million and other intangible assets of RMB91.7 million in connection with such acquisition, either of which could have a material adverse effect on our results of operations and financial position" in this prospectus.

THE SPIN-OFF AND INDEPENDENCE FROM AGILE HOLDINGS

Our Listing will constitute a spin-off from Agile Holdings, our Controlling Shareholder. Our Directors believe that the spin-off brings a number of benefits, including (i) realizing the fair value of the investment in our Group by Agile Holdings and our other Shareholders; (ii) allowing us to establish our own identity as a separately listed group and fund-raising platform; (iii) allowing us to continue to develop our expertise and improve our quality of property management service; (iv) enhancing our position to negotiate and solicit more businesses; (v) increasing our operational and financial transparency and improving our corporate governance; (vi) enhancing our corporate profile to attract strategic investors; (vii) using our stock performance as a separate benchmark to evaluate our performance; and (viii) enabling a more focused development, strategic planning and better allocation of resources for the Agile Group and our Group. During the Track Record Period, the amount of revenue derived from Agile Group amounted to RMB258.4 million, RMB264.8 million, RMB305.2 million and RMB254.0 million, respectively.

Upon the spin-off, Agile Group will be principally engaged in property development, property investment, hotel operations, environmental protection, intelligent engineering, design and other related services. Given the difference in the business operations between our Group and Agile Group, there is a clear delineation between the businesses of our Group and Agile Group, and our Directors are of the view that there is no overlap or competition of the businesses of our Group and Agile Group. For further details, please see the section entitled “Relationship with Our Controlling Shareholders—Delineation of Business” in this prospectus. In order to avoid any business which may compete with our Group in the future, our Controlling Shareholders have entered into a Deed of Non-Competition with our Company, details of which are set out in the section entitled “Relationship with Our Controlling Shareholders—Deed of Non-Competition” in this prospectus.

We plan to conduct an offering of A shares at an appropriate time after the Global Offering.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

Selected items of consolidated statements of comprehensive income

	For the year ended December 31,			For the nine months ended September 30,	
	2014	2015	2016	2016	2017
	(RMB’000)	(RMB’000)	(RMB’000)	(RMB’000) (Unaudited)	(RMB’000)
Revenue	826,099	934,412	1,244,735	871,810	1,168,868
Gross profit	98,820	148,815	311,647	215,263	383,169
Operating profit	62,841	87,827	217,150	161,772	266,055
Profit before income tax	63,851	99,408	231,756	173,373	270,334
Profit for the year/period	46,663	72,031	169,046	127,623	200,966

Selected items of consolidated balance sheets

	As of December 31,			As of September 30,
	2014	2015	2016	2017
	(RMB’000)	(RMB’000)	(RMB’000)	(RMB’000)
Non-current assets	858,267	659,819	719,679	1,109,234
Current assets	747,165	594,173	1,179,178	1,178,631
Total assets	1,605,432	1,253,992	1,898,857	2,287,865
Total equity	30,929	102,960	303,482	1,372,828
Current liabilities	969,320	708,872	999,684	892,045
Total equity and liabilities	1,605,432	1,253,992	1,898,857	2,287,865
Net current (liabilities)/assets	(222,155)	(114,699)	179,494	286,586
Non-current liabilities	605,183	442,160	595,691	22,992

SUMMARY OF KEY FINANCIAL RATIOS

The following table sets forth certain of our key financial ratios as of the dates and for the periods indicated:

	As of and for the year ended December 31,			As of and for the nine months ended
	2014	2015	2016	September 30, 2017
Current ratio	77.1%	83.8%	118.0%	132.1%
Liabilities to assets ratio	98.1%	91.8%	84.0%	40.0%
Leverage ratio	1,865.6%	370.8%	89.7%	N/A
Gearing ratio	2,535.2%	569.3%	262.1%	0.0%
Return on total assets	2.4%	5.0%	10.7%	12.8%
Return on equity	614.2%	107.6%	83.2%	32.0%

Our leverage ratio was calculated based on total borrowings less cash and cash equivalents divided by total equity. Our gearing ratio was calculated based on the sum of long-term and short-term interest-bearing bank and other borrowings as of the respective dates divided by total equity as of the same dates. As of December 31, 2014, 2015 and 2016, our leverage ratio and gearing ratio were high, due to our relatively large amount of borrowings and our relatively small total equity resulting from previously accumulated losses. See the discussion below on our accumulated losses as of January 1, 2014.

The decrease in both leverage ratio and gearing ratio from December 31, 2014 to December 31, 2015 was primarily attributable to (i) an increase in total equity as a result of the improvement in our profitability and operating cash generation, and (ii) a decrease in total borrowings in connection with the partial repayment of our interest-bearing borrowing under fund agreements that we entered into with a trust company, which had been fully repaid in June 2016. The decrease in both leverage ratio and gearing ratio from December 31, 2015 to December 31, 2016 was primarily attributable to an increase in total equity as a result of the improvement in our profitability and operating cash generation, which was partially offset by an increase in total borrowings as we entered into an asset-backed securities arrangement with a third party asset management company in January 2016 for the purpose of providing financing to Agile Group. For details, see the section entitled "Financial Information—Indebtedness—Asset-backed Securities" of this prospectus. We did not incur any borrowings as of September 30, 2017.

We recorded accumulated losses of RMB133.1 million as of January 1, 2014, which was primarily attributable to the operating expenses (mainly including staff cost and purchase of facilities and equipment) incurred at the earlier stage of increasing market share and ranking of the property management business prior to the spin-off. Prior to the spin-off, the property management business was complementary to Agile Holdings' core business, i.e., property development. To increase market penetration within a short timeframe and to better support Agile Holdings' property development business, our Group had made significant investment in hiring qualified personnel and purchasing facilities and equipment at the earlier stage of increasing market share and ranking of its business operations before we took the initiative to spin off from Agile Holdings. The key initiative of the spin-off, among others, is to allow a more focused development in the property management business for our Group and better allocation of resources for Agile Group. We have made continuous efforts to improve our financial performance and profitability as a result of a change to our business strategies for a more focused development in the property management business.

Please refer to "Financial Information—Summary of Key Financial Ratios" in this prospectus for the definitions and analysis of other key financial indicators in the table above.

NET CURRENT LIABILITIES AND NET CURRENT ASSETS

We recorded net current liabilities of RMB222.2 million and RMB114.7 million, respectively, as of December 31, 2014 and 2015, and we recorded net current assets of RMB179.5 million and RMB286.6 million, respectively, as of December 31, 2016 and September 30, 2017. We recorded net current liabilities of RMB222.2 million as of December 31, 2014, primarily due to other payables due to Agile Group of RMB378.7 million as of December 31, 2014. We reduced net current liabilities by RMB107.5 million from December 31, 2014 to December 31, 2015, primarily reflecting our partial settlement of other payables due to related parties in 2015. We recorded net current assets of RMB179.5 million as of December 31, 2016, primarily due to (i) an increase in loans and interest receivables due from related parties which had been subsequently settled in August 2017, and (ii) an increase in cash and cash equivalents generated from operations which was in line with our business growth. Our net current assets increased to RMB286.6 million as of September 30, 2017 from December 31, 2016, primarily attributable to (i) an increase in trade and other receivables, as a result of the purchase of wealth management products in an outstanding amount of RMB400.0 million as of September 30, 2017; and (ii) the full redemption of the RMB695.1 million asset-backed securities on September 26, 2017 which resulted in a decrease in borrowings as of September 30, 2017, all of which were partially offset by (i) a decrease in loans and interest receivables due from related parties reflecting our efforts to clear borrowings due from related parties prior to the Listing; and (ii) a decrease in cash and cash equivalents as a result of payment of dividends of RMB298.0 million in the nine months ended September 30, 2017. See the section entitled "Financial Information—Net Current Assets and Net Current Liabilities" in this prospectus. A net current liability position may pose certain risks for our operations. Also see the sections entitled "Risk Factors—Risks Relating to Our Business and Industry—We recorded net current liabilities during the Track Record Period. We cannot assure you that we will not experience net current liabilities in the future, which could expose us to liquidity risks" in this prospectus.

PROFIT ESTIMATE FOR THE YEAR ENDED DECEMBER 31, 2017

Our Directors estimate that, in the absence of unforeseeable circumstances and on the basis set out in Appendix III—"Profit Estimate" to this prospectus, the estimated net profit attributable to our Shareholders is as follows.

Estimated net profit attributable to our Shareholders for the year ended December 31, 2017[(1),(3)]	RMB281.30 million (equivalent to approximately HK$342.77 million)
Unaudited pro forma estimated earnings per Share for the year ended December 31, 2017[(2),(3)]	RMB0.21 (equivalent to approximately HK$0.26)

Notes:

(1) The basis on which the profit estimate has been prepared is set out in Appendix III to this prospectus. The estimated net profit attributable to our Shareholders for the year ended December 31, 2017 is based on the audited

consolidated results of the Group for the nine months ended September 30, 2017 as set out in Appendix I to this prospectus, and the unaudited consolidated results based on the management accounts of the Group for the three months ended December 31, 2017. The estimate has been prepared on the basis of the accounting policies consistent in all material aspects with those currently we adopted as summarized in the Accountants' Report set forth in Appendix I to this prospectus.

(2) The calculation of the unaudited pro forma estimated earnings per Share is based on the estimated net profit attributable to our Shareholders for the year ended December 31, 2017, assuming that the Global Offering had been completed on January 1, 2017 and a total of 1,333,334,000 Shares were in issue during the year ended December 31, 2017. The calculation takes no account of any Shares which may be issued upon the exercise of the Over-allotment Option.

(3) The estimated profit attributable to our Shareholders and the unaudited pro forma estimated earnings per Share are converted into Hong Kong Dollars at the exchange rate of RMB0.82067 to HK$1.00 (the median rate as published on January 19, 2018 by the China Foreign Exchange Trade System with the authorization of PBOC). No representation is made that the RMB amount have been, could have been or may be converted to Hong Kong Dollars, or vice versa, at that rate or at all.

OUR CONTROLLING SHAREHOLDERS

Immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised), Zhongshan A-Living, one of our Controlling Shareholders, will hold approximately 53.46% of our Company's total issued share capital, and our other Controlling Shareholders, being Mr. Chen Zhuo Lin (陳卓林), Mr. Chan Cheuk Yin (陳卓賢), Ms. Luk Sin Fong, Fion (陸倩芳), Mr. Chan Cheuk Hung (陳卓雄), Mr. Chan Cheuk Hei (陳卓喜), Mr. Chan Cheuk Nam (陳卓南), Full Choice Investments Limited, Top Coast Investment Limited, Agile Holdings, Eastern Supreme, Genesis Global, Makel International and Deluxe Star, will be deemed to be interested in approximately 54.00% of our Company's total issued share capital.

Except as disclosed in the section entitled "Relationship with our Controlling Shareholders," none of our Controlling Shareholders is interested in any business which is, whether directly or indirectly, in competition with our business. To ensure that competition will not exist in the future, each of our Controlling Shareholders has entered into the Deed of Non-Competition in favor of our Company to the effect that each of them will not, and will procure each of their respective associates not to, directly or indirectly participate in, or hold any right or interest, or otherwise be involved in any business which may be in competition with our business.

We have entered into a number of agreements with our connected persons which will constitute continuing connected transactions under Chapter 14A of the Listing Rules upon Listing. Please refer to the section entitled "Connected Transactions" in this prospectus for more details. The gross profit attributable to connected transactions in 2014, 2015, 2016 and the nine months ended September 30, 2017 were approximately RMB22.5 million, RMB47.8 million, RMB74.4 million and RMB81.2 million, respectively.

PRE-IPO INVESTMENTS

On July 26, 2017, as part of an incentive plan to incentivize certain members of the management of our Group, Gongqingcheng Investment entered into a capital increase agreement with Deluxe Star, Zhongshan A-Living and our Company, pursuant to which Gongqingcheng Investment agreed to invest in our Company by way of capital injection to our Company. As of the Latest Practicable Date, all contributions have been paid up.

On August 10, 2017, with a view to establishing a strategic alliance between our Group and Greenland Holdings which would mutually benefit both groups, each of Greenland Overseas and

Ningbo Lvjin entered into a capital increase agreement with Deluxe Star, Zhongshan A-Living and our Company respectively, pursuant to which each of Greenland Overseas and Ningbo Lvjin agreed to invest in our Company by way of capital injection to our Company. The capital injection has been completed on August 15, 2017 and August 11, 2017, respectively.

USE OF PROCEEDS

We estimate the net proceeds of the Global Offering which we will receive, assuming an Offer Price of HK$12.50 per Offer Share (being the mid-point of the Offer Price Range stated in this prospectus), will be approximately HK$3,983.7 million, after deduction of underwriting fees and commissions and estimated expenses payable by us in connection with the Global Offering and assuming the Over-allotment Option is not exercised.

We intend to use the net proceeds of the Global Offering for the following purposes:

- Approximately 65%, or HK$2,589.4 million, will be used to pursue selective strategic investment and acquisition opportunities and further develop strategic alliances, among which, (i) approximately 45%, or HK$1,792.7 million, will be used to acquire other property management companies; (ii) approximately 10%, or HK$398.4 million, will be used to acquire companies which provide community products and services complementary to those of us; and (iii) approximately 10%, or HK$398.4 million, will be used to invest in property management industry funds jointly with our business partners. For more information on our selection criteria for acquisition targets, see the section entitled "Business—Business Strategies—Expand our property management service portfolio by selectively pursuing strategic investment, acquisition and alliance opportunities" in this prospectus. As of the Latest Practicable Date, we had not identified or committed to any acquisition targets for our use of net proceeds from the Global Offering;

- Approximately 10%, or HK$398.4 million, will be used to continue to develop our one-stop service platform, among which, (i) approximately 4.0%, or HK$159.3 million, will be used to purchase and upgrade hardware related to our one-stop service platform; (ii) approximately 2.7%, or HK$107.6 million, will be used to fund our resident services and products and promotional activities; (iii) approximately 2.0%, or HK$79.7 million, will be used to develop new software and optimize our existing software; and (iv) approximately 1.3%, or HK$51.8 million, will be used to promote our mobile applications. For details, see the section entitled "Business—Business Strategies—Continue to develop one-stop service platform to optimize our service experience" in this prospectus;

- Approximately 15%, or HK$597.6 million, will be used to develop the "management digitalization, service specialization, process standardization and operation automation." For details, see the section entitled "Business—Business Strategies—Further strengthen the implementation of management digitization, service specialization, procedure standardization and operation automation" in this prospectus; and

- Approximately 10%, or HK$398.4 million, will be used for working capital and general corporate purposes.

For further details, please see the section entitled "Future Plans and Use of Proceeds" in this prospectus.

LISTING EXPENSES

The total listing expenses (including underwriting commissions) for the Listing of the H Shares are estimated to be approximately RMB151.0 million (assuming an Offer Price of HK$12.50 per H Share), among which, approximately RMB142.6 million is directly attributable to the issuance of H Shares and will be charged to equity upon completion of the Listing, and approximately RMB8.4 million will be charged to our consolidated statement of comprehensive income. During the Track Record Period, we incurred listing expenses of approximately RMB17.4 million, of which approximately RMB16.6 million was included in prepayments and will be subsequently charged to equity upon completion of the Listing and approximately RMB0.8 million was charged to the consolidated statement of comprehensive income. The listing expenses above are the latest practicable estimates and are provided for reference only and actual amounts may differ. Our Directors do not expect such expenses to have a material adverse impact on our financial results for the year ended December 31, 2017.

GLOBAL OFFERING STATISTICS(1)

	Based on an Offer Price of HK$10.80 per Share	Based on an Offer Price of HK$14.20 per Share
Market capitalization of our Shares(2) (in millions)	HK$14,400.0	HK$18,933.3
Unaudited *pro forma* adjusted net tangible assets per ordinary share(3)	HK$2.89	HK$3.71

Notes:

(1) All statistics in the table are based on the assumption that the Over-allotment Option is not exercised.

(2) The calculation of market capitalization is based on 1,333,334,000 Shares expected to be in issue immediately upon completion of the Global Offering.

(3) The unaudited pro forma adjusted net tangible assets per Share has been arrived at after adjustments referred to in the section entitled "Appendix II—Unaudited Proforma Financial Information" and on the basis of 1,333,334,000 Shares in issue at the Offer Price immediately upon the completion of the Global Offering. The unaudited *pro forma* adjusted net tangible assets does not take into account the dividend of approximately RMB50.0 million declared in January 2018. Had such dividend been taken into account, the unaudited pro forma adjusted net tangible assets per Share would have been approximately RMB2.34 (HK$2.85), assuming an Offer Price of HK$10.80 per Share, and approximately RMB3.01 (HK$3.67), assuming an Offer Price of HK$14.20 per Share.

DIVIDEND POLICY

During the nine months ended September 30, 2017, we paid a dividend in an aggregate amount of RMB298.0 million. As of January 15, 2018, we declared a dividend in an amount of RMB50.0 million. As of the Latest Practicable Date, the amount of our declared but unpaid dividend was RMB50.0 million, which will be paid to our pre-listing Shareholders (including foreign Shareholders) after we have completed the relevant procedures with SAFE and the relevant tax authority in the PRC. The payments of the dividend above by our Company are expected to be made prior to March 31, 2018. We will deposit the relevant amount into an escrow account at a commercial bank in the PRC and will engage an independent third party escrow agent prior to the Listing Date. For payment of such declared and unpaid dividend, the escrow agent will release the fund in the escrow account for remittance or payment of such dividend once we have completed the relevant procedures with SAFE and the relevant tax authority in the PRC. After Listing we expect to pay a dividend equal to 25% of the profit after tax each year, with the first dividend to be declared during the six month period ending June 30, 2019. The payment and amounts of dividends (if any) depend on our results of operations, cash flows, financial position, statutory and regulatory restrictions on the dividends paid by us, future prospects and others factors which we consider relevant. See the section entitled "Financial Information—Dividend Policy and Distributable Reserves" in this prospectus.

RECENT DEVELOPMENT

Newly Contracted Properties

Subsequent to September 30, 2017 and as of the Latest Practicable Date, we were contracted to manage certain properties with an aggregate contracted GFA of approximately 16.9 million sq.m., including properties developed by Agile Group with an aggregate contracted GFA of approximately 22,900 sq.m., properties developed by Greenland Holdings with an aggregate contracted GFA of approximately 905,000 sq.m. and properties developed by independent third property developers with an aggregate contracted GFA of approximately 15.9 million sq.m. In addition, subsequent to September 30, 2017 and as of the Latest Practicable Date, we won bids to manage properties with an additional aggregate GFA of approximately 4.5 million sq.m., including properties developed by Greenland Holdings with an additional aggregate GFA of approximately 3.1 million sq.m. and properties developed by independent third property developers with an additional aggregate GFA of approximately 1.4 million sq.m. Subsequent to September 30, 2017 and as of the Latest Practicable Date, Greenland Property Services did not obtain new contracts to manage properties developed by independent property developers.

Cooperation with Alipay

In January 2018, we entered into a cooperation framework agreement with Alipay (China) Internet Technology Co., Ltd. (支付寶（中國）網絡技術有限公司) ("Alipay"), a leading online payment platform in China. Pursuant to the agreement, we will cooperate with Alipay in online payment, fund settlement, property management, community services, smart community and marketing, among other things, for a term of three years from the date of the agreement.

DIRECTORS' CONFIRMATION ON NO MATERIAL ADVERSE CHANGE

After due and careful consideration, our Directors confirm that there has not been any material adverse change in our financial, operational or trading position since September 30, 2017 and up to the date of this prospectus.

SUMMARY OF MATERIAL RISK FACTORS

There are certain risks relating to an investment in the Offer Shares. Some of the particular risks in investing in the Offer Shares are further described in the section entitled "Risk Factors" in this prospectus. You should read that section carefully before you decide to invest in the Offer Shares. We believe some of the more significant risk factors include: (i) our future growth may not materialize as planned, and failure to manage any future growth effectively may have a material adverse effect on our business, financial position and results of operations; (ii) we acquired Greenland Property Services in June 2017 and may fail to achieve the desired benefits from such acquisition or may need to make an impairment with respect to the goodwill of RMB919.0 million in connection with such acquisition; (iii) increase in labor costs and sub-contracting costs could harm our business and reduce our profitability; (iv) our one-stop service platform may not grow as planned; and (v) we may be subject to losses or our profit margins may decrease if we fail to control our costs in connection with the performance of our property management services on a lump sum basis.

In this prospectus, unless the context otherwise requires, the following terms shall have the meanings set out below. Certain other terms are explained in the section entitled "Glossary of Technical Terms" in this prospectus.

"Agile Group"	Agile Holdings and its subsidiaries;
"Agile Holdings"	Agile Group Holdings Limited (雅居樂集團控股有限公司) (stock code: 3383), an exempted company with limited liability incorporated in the Cayman Islands on July 14, 2005 and the shares of which are listed on the Main Board of the Stock Exchange. It will indirectly hold approximately 54.00% of the issued share capital of the Company immediately upon completion of the Global Offering;
"Agile Shareholder(s)"	holder(s) of Agile Shares;
"Agile Share(s)"	the ordinary shares of par value of HK$0.10 each in the share capital of Agile Holdings which are listed on the Stock Exchange and traded in Hong Kong dollars;
"Application Form(s)"	**WHITE** Application Form(s), **YELLOW** Application Form(s), **GREEN** Applications Form(s), or where the context so requires, any of them that is used in connection with the Hong Kong Public Offering and **BLUE** Application Form(s) relating to the Preferential Offering;
"Articles of Association" or "Articles"	the articles of association of the Company approved by the extraordinary general meeting of the Company on August 27, 2017 which will become effective upon the Listing Date, as amended from time to time, a summary of which is set out in Appendix VI to this prospectus;
"associates"	has the meaning ascribed to it under the Listing Rules;
"Assured Entitlement"	the entitlement of the Qualifying Agile Shareholders to apply for the Reserved Shares on an assured basis pursuant to the Preferential Offering determined on the basis of their respective shareholdings in Agile Holdings on the Record Date;
"Available Reserved Shares"	has the meaning given to it in the section entitled "Structure of the Global Offering—The Preferential Offering—Basis of Allocation for Applications for Reserved Shares" in this prospectus;
"Beneficial Agile Shareholder(s)"	any beneficial owner of Agile Shares whose Agile Shares are registered, as shown in the register of members of Agile Holdings, in the name of a registered Agile Shareholder on the Record Date;

"**BLUE** Application Form(s)"	the application form(s) to be sent to Qualifying Agile Shareholders to subscribe for the Reserved Shares pursuant to the Preferential Offering;
"Board" or "Board of Directors"	the board of Directors;
"Business Day" or "business day"	a day on which banks in Hong Kong are generally open for normal banking business to the public and which is not a Saturday, a Sunday or a public holiday in Hong Kong;
"CAGR"	compound annual growth rate;
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC;
"CCASS Clearing Participant"	a person admitted to participate in CCASS as a direct clearing participant or a general clearing participant;
"CCASS Custodian Participant"	a person admitted to participate in CCASS as a custodian participant;
"CCASS Investor Participant"	a person admitted to participate in CCASS as an investor participant who may be an individual, joint individuals or a corporation;
"CCASS Operational Procedures"	the operational procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to the operation and functions of CCASS, as from time to time in force;
"CCASS Participant"	a CCASS Clearing Participant, a CCASS Custodian Participant or a CCASS Investor Participant;
"Chen's Family Trust"	a family trust established on November 23, 2005 by Top Coast Investment Limited as settlor and trustee for the benefit of Mr. Chen Zhuo Lin (陳卓林), Mr. Chan Cheuk Yin (陳卓賢), Ms. Luk Sin Fong, Fion (陸倩芳), Mr. Chan Cheuk Hung (陳卓雄), Mr. Chan Cheuk Hei (陳卓喜) and Mr. Chan Cheuk Nam (陳卓南), the trustee of which was changed to Full Choice Investments Limited pursuant to a supplemental deed dated December 16, 2016;
"China" or the "PRC"	the People's Republic of China, but for the purpose of this prospectus and for geographical reference only and except where the context requires, references in this prospectus to "China" and the "PRC" do not include Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;

"CIA"	China Index Academy, our industry consultant;
"Chinese government" or "PRC government"	the central government of the PRC and all governmental subdivisions (including provincial, municipal and other regional or local government entities) and instrumentalities thereof or, where the context requires, any of them;
"close associate(s)"	has the meaning ascribed to it under the Listing Rules;
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;
"Companies (Winding up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;
"Company Law" or "PRC Company Law"	Company Law of the PRC (《中華人民共和國公司法》), as amended and adopted by the Standing Committee of the Tenth National People's Congress on October 27, 2005 and effective on January 1, 2006 and further amended on December 28, 2013 and effective on March 1, 2014, as amended, supplemented and otherwise modified from time to time;
"Company," "the Company," "our Company," "A-Living" or "issuer"	雅居樂雅生活服務股份有限公司 (A-Living Services Co., Ltd.*), formerly known as 雅居樂物業管理服務有限公司 (Agile Property Management Services Co., Ltd.*), a limited liability company established in the PRC on June 26,1997 and converted into a joint stock company with limited liability on July 21, 2017;
"Connected Person(s)" or "connected person(s)"	has the meaning ascribed to it under the Listing Rules;
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules and, unless the context requires otherwise, refers to Mr. Chen Zhuo Lin (陳卓林), Mr. Chan Cheuk Yin (陳卓賢), Ms. Luk Sin Fong, Fion (陸倩芳), Mr. Chan Cheuk Hung (陳卓雄), Mr. Chan Cheuk Hei (陳卓喜), Mr. Chan Cheuk Nam (陳卓南), Top Coast Investment Limited, Full Choice Investments Limited, Agile Holdings, Eastern Supreme, Genesis Global, Makel International, Deluxe Star and Zhongshan A-Living;
"core connected person(s)"	has the meaning ascribed to it under the Listing Rules;
"Corporate Reorganization" or "Reorganization"	the corporate reorganization of our Group conducted in preparation for the Listing, details of which are set out

	in the paragraph entitled "Reorganization" under the section entitled "History, Reorganization and Corporate Structure" in this prospectus;
"CSDCC"	China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司);
"CSRC"	China Securities Regulatory Commission (中國證券監督管理委員會), a regulatory body responsible for the supervision and regulation of the PRC national securities markets;
"Deed of Indemnity"	the deed of indemnity dated January 22, 2018 entered into by our Controlling Shareholders as indemnifiers in favor of our Company (for ourselves and as trustee for each of our subsidiaries), as further described under the section entitled "Appendix VII—Statutory and General Information—D. Other Information—2. Tax and Other Indemnities" in this prospectus;
"Deed of Non-Competition"	the deed of non-competition dated January 22, 2018 entered into by our Controlling Shareholders in favor of our Company, as further described under the section entitled "Relationship with our Controlling Shareholders—Deed of Non-Competition" in this prospectus;
"Deluxe Star"	Deluxe Star International Limited (旺紀國際有限公司), a limited liability company incorporated in Hong Kong on July 23, 2007 and is wholly-owned by Makel International, one of our Controlling Shareholders;
"Director(s)" or "our Directors"	the director(s) of our Company;
"Domestic Shares"	ordinary shares in the share capital of our Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi;
"Eastern Supreme"	Eastern Supreme Group Holdings Limited (東萃集團控股有限公司), a limited liability company incorporated in the British Virgin Islands on April 6, 2005 and is wholly-owned by Agile Holdings, one of our Controlling Shareholders;
"EIT Law"	the Enterprise Income Tax Law of the PRC (中華人民共和國企業所得稅法), as amended, supplemented or otherwise modified from time to time;

"Exchange Participant(s)"	a person: (a) who, in accordance with the Listing Rules, may trade on or through the Stock Exchange; and (b) whose name is entered in a list, register or roll kept by the Stock Exchange as a person who may trade on or through the Stock Exchange;
"Foreign Shares"	the Shares issued by the Company and subscribed by foreign investors with foreign currency or Shares held by foreign investors acquired from the domestic Shareholders;
"Gaode"	高德置地集團 (Gaode Land Group*), an Independent Third Party;
"Genesis Global"	創紀環球發展(BVI)有限公司 (Genesis Global Development (BVI) Limited), a limited liability company incorporated in the British Virgin Islands on April 8, 2005 and is wholly-owned by Eastern Supreme, one of our Controlling Shareholders;
"Global Offering"	the Hong Kong Public Offering and the International Offering;
"Gongqingcheng Investment"	共青城雅生活投資管理合夥企業(有限合夥) (Gongqingcheng A-Living Investment Management Limited Partnership*), a limited partnership established under the laws of the PRC on July 12, 2017 with 共青城雅高投資管理有限公司 (Gongqingcheng Yagao Investment Management Co., Ltd.*) as its general partner and Mr. Liu Deming (劉德明), Mr. Feng Xin (馮欣) and Mr. Li Dalong (李大龍) as its limited partners and one of our pre-IPO investors;
"**GREEN** Application Form(s)"	the application form(s) to be completed by the **HK eIPO** White Form Service Provider designated by our Company;
"Greenland Holdings"	綠地控股集團股份有限公司 (Greenland Holdings Group Company Limited*), or 綠地控股集團股份有限公司 (Greenland Holdings Group Company Limited*) and its subsidiaries, as the context requires;
"Greenland Overseas"	Greenland Financial Overseas Investment Group Co., Ltd. (綠地金融海外投資集團有限公司), a limited Liability company incorporated in the British Virgin Islands on June 6, 2014 and one of our pre-IPO investors;
"Greenland Property Services"	上海綠地物業服務有限公司 (Shanghai Greenland Property Services Co., Ltd.*), a limited liability company established in the PRC on November 25, 2010 and our wholly-owned subsidiary;

"Group," "the Group," "our Group," "we" or "us"	our Company and, except where the context otherwise requires, all of its subsidiaries or where the context refers to any time prior to its incorporation, the business which its predecessors or the predecessors of its present subsidiaries were engaged in and which were subsequently assumed by it;
"Guangzhou Agile"	廣州雅居樂物業管理服務有限公司 (Guangzhou Agile Property Management Service Co., Ltd.*), a limited liability company established in the PRC on April 18, 2003 and a wholly-owned subsidiary of our Company;
"Guangzhou Harrogate"	廣州雅萊格物業管理服務有限公司 (Guangzhou Harrogate Property Management Services Co., Ltd.*), a limited liability company established in the PRC on November 17, 2015 and a wholly-owned subsidiary of our Company;
"Guangzhou Yafang"	廣州市雅方旅遊有限公司 (Guangzhou Yafang Travel Co., Ltd.*), a limited liability company established in the PRC on October 8, 2015 and a wholly-owned subsidiary of our Company;
"Guangzhou Yatao"	廣州市雅韜廣告有限公司 (Guangzhou Yatao Advertising Co., Ltd.*), a limited liability company established in the PRC on June 30, 2016 and a wholly-owned subsidiary of our Company;
"Guangzhou Yatian"	廣州市雅天網絡科技有限公司 (Guangzhou Yatian Network Technology Co., Ltd.*), a limited liability company established in the PRC on October 8, 2015 and a wholly-owned subsidiary of our Company;
"Guangzhou Yatong"	廣州市雅通智能科技有限公司 (Guangzhou Yatong Intelligent Technology Co., Ltd.*), a limited liability company established in the PRC on July 5, 2017 and our non-wholly-owned subsidiary which is owned as to 51% by Guangzhou Yatian and 49% by 北京通通易聯科技有限公司 (Beijing Tongtong Yilian Technology Co., Ltd.*), an Independent Third Party;
"Guangzhou Yaxin"	廣州市雅信工程諮詢有限公司 (Guangzhou Yaxin Engineering Consulting Co., Ltd.*), a limited liability company established in the PRC on April 10, 2017 and a wholly-owned subsidiary of our Company;
"Guangzhou Yazhuo"	廣州市雅卓房地產營銷有限公司 (Guangzhou Yazhuo Real Estate Sales Co., Ltd.*), a limited liability company established in the PRC on July 11, 2016 and a wholly-owned subsidiary of our Company;

"Hainan Agile"	海南雅居樂物業服務有限公司 (Hainan Agile Property Services Co., Ltd.*), a limited liability company established in the PRC on April 20, 2010 and a wholly-owned subsidiary of our Company;
"Heilongjiang Yatian"	黑龍江雅天網絡科技有限公司 (Heilongjiang Yatian Network Technology Co., Ltd.*), a limited liability company established in the PRC on September 29, 2017 which is owned as to 60% by Guangzhou Yatian and 40% by eight Independent Third Parties;
"**HK eIPO** White Form"	the application for Hong Kong Offer Shares to be issued in the applicant's own name by submitting applications online through the designated website of the **HK eIPO** White Form Service Provider at **www.hkeipo.hk**;
"**HK eIPO** White Form Service Provider"	The Bank of East Asia, Limited, the **HK eIPO** White Form service provider designated by our Company as specified on the designated website at **www.hkeipo.hk**;
"HKFRS"	Hong Kong Financial Reporting Standards, which collectively include Hong Kong Accounting Standards and related interpretations, promulgated by the Hong Kong Institute of Certified Public Accountants;
"HKSCC"	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited;
"HKSCC Nominees"	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC;
"HK$", "Hong Kong dollars", "HK dollars" or "cents"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"Hong Kong Offer Shares"	the H Shares (subject to reallocation) offered in the Hong Kong Public Offering;
"Hong Kong Public Offering"	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong at the Offer Price on the terms and conditions described in this prospectus and the Application Forms;
"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited;

"Hong Kong Underwriters"	the underwriters of the Hong Kong Public Offering listed in the section entitled "Underwriting—Hong Kong Underwriters" in this prospectus;
"Hong Kong Underwriting Agreement"	the underwriting agreement dated January 25, 2018 relating to the Hong Kong Public Offering entered into by, among others, our Company, our Controlling Shareholders, the Joint Sponsors, the Joint Global Coordinators and the Hong Kong Underwriters as further described in the section entitled "Underwriting—Underwriting Arrangements and Expenses" in this prospectus;
"Huadu Agile"	廣州市花都雅居樂物業管理服務有限公司 (Guangzhou Huadu Agile Property Management Service Co., Ltd.*), a limited liability company established in the PRC on April 23, 2003 and a wholly-owned subsidiary of our Company;
"H Share(s)"	overseas listed foreign shares in our ordinary share capital with a nominal value of RMB1.00 each, to be subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange;
"H Share Registrar"	Tricor Investor Services Limited;
"Independent Third Party(ies)"	an individual or a company who, as far as the Directors are aware after having made all reasonable enquiries is not a connected person of the Company within the meaning of the Listing Rules;
"International Offer Shares"	the 300,000,000 H Shares initially offered by our Company for subscription at the Offer Price pursuant to the International Offering together with, where relevant, any additional Shares which may be issued by our Company pursuant to the exercise of the Over-allotment Option (subject to reallocation as described in the section entitled "Structure of the Global Offering" in this prospectus);
"International Offering"	the offer of the International Offer Shares at the Offer Price outside the United States in offshore transactions in accordance with Regulation S and in the United States to QIBs only in reliance on Rule 144A or any other available exemption from registration under the U.S. Securities Act, as further described in the section entitled "Structure of the Global Offering" in this prospectus;

"International Underwriters"	the group of international underwriters, led by the Joint Global Coordinators, that is expected to enter into the International Underwriting Agreement to underwrite the International Offering;
"International Underwriting Agreement"	the underwriting agreement expected to be entered into on or around February 3, 2018 by, among others, our Company, the Joint Global Coordinators, the Joint Bookrunners and the International Underwriters in respect of the International Offering, as further described in the section entitled "Underwriting—The International Offering" in this prospectus;
"iResearch"	Shanghai iResearch Co., Ltd., China, our industry consultant;
"Joint Bookrunners"	The Hongkong and Shanghai Banking Corporation Limited, Huatai Financial Holdings (Hong Kong) Limited, Morgan Stanley Asia Limited, BNP Paribas Securities (Asia) Limited, ABCI Capital Limited, CCB International Capital Limited, ICBC International Capital Limited and China Securities (International) Corporate Finance Company Limited;
"Joint Global Coordinators"	The Hongkong and Shanghai Banking Corporation Limited, Huatai Financial Holdings (Hong Kong) Limited and Morgan Stanley Asia Limited;
"Joint Lead Managers"	The Hongkong and Shanghai Banking Corporation Limited, Huatai Financial Holdings (Hong Kong) Limited, Morgan Stanley Asia Limited, BNP Paribas Securities (Asia) Limited, ABCI Securities Company Limited, CCB International Capital Limited, ICBC International Securities Limited and China Securities (International) Corporate Finance Company Limited;
"Joint Sponsors"	HSBC Corporate Finance (Hong Kong) Limited and Huatai Financial Holdings (Hong Kong) Limited;
"Latest Practicable Date"	January 19, 2018, being the latest practicable date for the purpose of ascertaining certain information in this prospectus prior to its publication;
"Listing"	listing of our H Shares on the Stock Exchange;
"Listing Committee"	the Listing Committee of the Stock Exchange;
"Listing Date"	the date expected to be on or about February 9, 2018 on which dealings in our H Shares first commence on the Stock Exchange;

"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time;
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange, which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange;
"Makel International"	Makel International (BVI) Limited (邁高國際(BVI)有限公司), a limited liability company incorporated in the British Virgin Islands on January 28, 2005 and is wholly-owned by Genesis Global, one of our Controlling Shareholders;
"Mandatory Provisions"	the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (到境外上市公司章程必備條款), as promulgated by the State Council Securities Commission and the State Restructuring Commission on August 27, 1994 and became effective on the same date, as the same may be amended and supplemented or otherwise modified from time to time;
"Maximum Offer Price"	HK$14.20 per Offer Share, being the maximum subscription price in the Offer Price Range;
"Minimum Offer Price"	HK$10.80 per Offer Share, being the minimum subscription price in the Offer Price Range;
"MOF"	Ministry of Finance of the PRC (中華人民共和國財政部);
"MOFCOM"	Ministry of Commerce of the PRC (中華人民共和國商務部) or its predecessor, the Ministry of Foreign Trade and Economic Cooperation of the PRC (中華人民共和國對外貿易經濟合作部);
"MOHURD"	Ministry of Housing and Urban and Rural Development of the PRC (中華人民共和國住房和城鄉建設部);
"Nanhai Agile"	佛山市南海區雅居樂物業管理服務有限公司 (Foshan Nanhai Agile Property Management Services Co., Ltd.*), a limited liability company established in the PRC on September 20, 2002 and a wholly-owned subsidiary of our Company;
"Nantong Yazhuo"	南通雅卓房地產營銷有限公司 (Nantong Yazhuo Real Estate Sales Co., Ltd.*), a limited liability company established in the PRC on August 8, 2017 and a wholly-owned subsidiary of our Company;

"NDRC"	the National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會);
"Ningbo Lvjin"	寧波綠璡投資管理有限公司 (Ningbo Lvjin Investment Management Co., Ltd.*) a limited liability company established in the PRC on June 21, 2017 and one of our pre-IPO investors;
"Non-Qualifying Agile Shareholders"	Agile Shareholders whose names appeared in the register of members of Agile Holdings on the Record Date and whose addresses as shown in such register are in any of the Specified Territories and any Agile Shareholders or Beneficial Agile Shareholders at that time who are otherwise known by Agile Holdings to be resident in any of the Specified Territories;
"Offer Price"	the final price per Offer Share in Hong Kong dollars (exclusive of brokerage fee of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) of not more than HK$14.20 and expected to be not less than HK$10.80, at which Hong Kong Offer Shares are to be subscribed, to be determined in the manner further described in the section entitled "Structure of the Global Offering—Allocation" in this prospectus;
"Offer Price Range"	HK$10.80 to HK$14.20 per Offer Share;
"Offer Share(s)"	the Hong Kong Offer Shares and the International Offer Shares, together with, where relevant, any additional H Shares which may be issued by our Company pursuant to the exercise of the Over-allotment Option;
"Over-allotment Option"	the option expected to be granted by our Company to the International Underwriters, exercisable by the Joint Global Coordinators (on behalf of the International Underwriters) pursuant to the International Underwriting Agreement, pursuant to which our Company may be required to allot and issue up to an aggregate of 50,000,000 additional H Shares at the Offer Price to, among other things, cover over-allocations in the International Offering, if any, further details of which are described in the section entitled "Structure of the Global Offering" in this prospectus;
"Parent Group"	the Agile Group excluding our Group;
"PBOC"	the People's Bank of China (中國人民銀行), the central bank of the PRC;

"People's Congress"	The PRC's legislative apparatus, including the National People's Congress and all the local people's congresses (including provincial, municipal and other regional or local people's congresses) as the context may require, or any of them;
"PRC GAAP"	generally accepted accounting principles in the PRC;
"PRC Legal Advisor"	King & Wood Mallesons, our legal advisor as to PRC laws;
"PRC Securities Law"	the Securities Law of the PRC (中華人民共和國證券法), as enacted by the 6th meeting of the 9th Standing Committee of the NPC on December 29, 1998 and became effective on July 1, 1999, as amended, supplemented or otherwise modified from time to time;
"Preferential Offering"	the preferential offering to the Qualifying Agile Shareholders of 27,835,340 Offer Shares (representing approximately 8.35% of the Offer Shares initially being offered under the Global Offering) as an Assured Entitlement out of the H Shares being offered under the International Offering at the Offer Price, on and subject to the terms and conditions set out in this prospectus and in the **BLUE** Application Form, as further described in the section entitled "Structure of the Global Offering—The Preferential Offering";
"Price Determination Agreement"	the agreement to be entered into by the Joint Global Coordinators (on behalf of the Hong Kong Underwriters) and our Company on the Price Determination Date to record and fix the Offer Price;
"Price Determination Date"	the date, expected to be on or around February 3, 2018 (Hong Kong time) on which the Offer Price is determined, or such later time as the Joint Global Coordinators (on behalf of the Hong Kong Underwriters) and our Company may agree, but in any event no later than February 8, 2018;
"prospectus"	this prospectus being issued in connection with the Hong Kong Public Offering and the Preferential Offering;
"Qualifying Agile Shareholders"	Agile Shareholders whose names appeared in the register of members of Agile Holdings on the Record Date, other than Non-Qualifying Agile Shareholders;
"Qualified Institutional Buyers" or "QIBs"	qualified institutional buyers as defined in Rule 144A;

"Regulation S"	Regulation S under the U.S. Securities Act;
"Relevant Persons"	the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of their or the Company's respective directors, officers or representatives or any other parties involved in the Global Offering;
"Record Date"	January 23, 2018, being the record date for determining the Assured Entitlement of the Qualifying Agile Shareholders to the Reserved Shares;
"Reserved Shares"	the 27,835,340 Offer Shares being offered by the Company to Qualifying Agile Shareholders pursuant to the Preferential Offering as the Assured Entitlement, which are to be allocated out of the Shares being offered under the International Offering;
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC;
"Rule 144A"	Rule 144A under the U.S. Securities Act;
"SAFE"	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局);
"SAIC"	the State Administration for Industry and Commerce of the PRC (中華人民共和國國家工商行政管理總局);
"SAT"	State Administration of Taxation of the PRC (中華人民共和國國家稅務總局);
"Securities and Futures Ordinance" or "SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;
"SFC"	the Securities and Futures Commission of Hong Kong;
"Shanghai Harrogate"	雅萊格物業服務(上海)有限公司 (Harrogate Property Services (Shanghai) Co., Ltd.*), a limited liability company established in the PRC on September 9, 2011 and a wholly-owned subsidiary of our Company;
"Share(s)"	shares in the share capital of our Company, with a nominal value of RMB1.00 each, comprising our Domestic Shares, Unlisted Foreign Shares and our H Shares;
"Shareholders"	holders of our Shares;

"Special Regulations"	Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (國務院關於股份有限公司境外募集股份及上市的特別規定), promulgated by the State Council on August 4, 1994, as amended, supplemented or otherwise modified from time to time;
"Specified Territories"	PRC, Singapore and the United States;
"Spin-off"	the separate listing of our H Shares on the Main Board, by way of Global Offering (including the Preferential Offering);
"sq.m."	the measurement unit of square meters;
"Stabilizing Manager"	The Hongkong and Shanghai Banking Corporation Limited;
"State Council"	State Council of the PRC (中華人民共和國國務院);
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules;
"substantial shareholder(s)"	has the meaning ascribed to it under the Listing Rules;
"Supervisor(s)"	supervisor(s) of our Company;
"Supervisory Committee"	the board of Supervisors;
"Track Record Period"	the period comprising the years ended December 31, 2014, 2015 and 2016 and nine months ended September 30, 2017;
"Underwriters"	the Hong Kong Underwriters and the International Underwriters;
"Underwriting Agreements"	the Hong Kong Underwriting Agreement and the International Underwriting Agreement;
"United States" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction;
"Unlisted Foreign Shares"	ordinary shares issued by our company with a nominal value of RMB1.00 each and are held by persons other than PRC nationals or PRC incorporated entities and are not listed on any stock exchange;
"U.S. dollars" or "US$"	United States dollars, the lawful currency of the United States;
"U.S. Securities Act"	the United States Securities Act of 1933, as amended and supplemented or otherwise modified from time to time, and the rules and regulations promulgated thereunder;

"ValueLink"	藍策(北京)資產評估有限公司 (Lan Ce Beijing Appraisal Co. Ltd.*), our independent valuer;
"**YELLOW** Application Form(s)"	the application form(s) for the Hong Kong Offer Shares for use by the public who require(s) such Hong Kong Offer Shares to be deposited directly into CCASS;
"Zhongshan Agile Security"	中山市雅居樂保安服務有限公司 (Zhongshan Agile Security Services Co., Ltd.*), a limited liability company established in the PRC on April 22, 2016 and a wholly-owned subsidiary of our Company; and
"Zhongshan A-Living"	中山雅生活企業管理服務有限公司 (Zhongshan A-Living Enterprises Management Services Co., Ltd.*), a limited liability company established in the PRC on June 2, 2017 and one of our Controlling Shareholders.

Unless the content otherwise requires, references to "2014," "2015" and "2016" in this prospectus refer to our financial year ended December 31 of such year.

Certain amounts and percentage figures included in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

For ease of reference, the names of the PRC laws and regulations, governmental authorities, institutions, natural persons or other entities (including certain of our subsidiaries) have been included in the prospectus in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail. English translations of official Chinese names are for identification purpose only.

* *for identification purposes only*

In this prospectus, unless the context otherwise requires, explanations and definitions of certain terms used in this prospectus in connection with our Group and our business shall have the meanings set out below. The terms and their meanings may not correspond to standard industry meaning or usage of these terms.

"active user"	a registered user who opens our A-Steward (雅管家) mobile application at least once within a calendar month;
"active user rate"	calculated as the number of active users in a calendar month divided by the aggregate number of registered users of the same calendar month;
"average property management fee"	calculated as the sum of the prices and fees per residential GFA specified for each of the property management contract as of the end of each relevant period divided by the total number of property management contracts;
"cloud computing"	an Internet computing method that can provide shared computer processing resources and data on demand to computers and other devices;
"commission basis"	a revenue generating model for our property management business line whereby our fee income from property management consists only of a specified percentage of the total management fees payable by the property owners or property developers while the remainder of such management fees would be used to procure services to the property from other service providers;
"common area" or "communal area"	common areas in residential properties, including parking lots, swimming pools, advertisement bulletin boards, and club houses;
"contracted GFA"	GFA managed or to be managed by the Group under operating property management contracts or covered under our consultancy service arrangements, including both delivered and undelivered GFA;
"EBA"	abbreviated from e-building automation, namely our intelligent building management system;
"first-tier cities"	as of the Latest Practicable Date, included Beijing, Shanghai, Guangzhou and Shenzhen in the PRC, according to the National Bureau of Statistics of the PRC;

"GFA"	gross floor area;
"HTTPS"	abbreviated from hyper text transfer protocol secure, a communication protocol for secure communication over a computer network;
"HVAC"	heating, ventilating and air conditioning;
"independent property management companies"	property management companies that are not affiliated with Agile Group;
"Internet of Things"	a network of physical objects or items embedded with electronics, software, sensors and network connectivity, which enables these objects to collect and exchange data;
"lump sum basis"	a revenue generating model for our property management business line whereby we charge a pre-determined property management price per sq.m. for all units (whether sold or unsold) on a monthly basis which represents the "all-inclusive" fees for all of the property management services provided by our teams and sub-contractors. Under a lump sum basis, the property owners and property developers will be responsible for paying our management fees for the sold and unsold units respectively on a monthly basis;
"mid- to high-end properties"	properties with property management fee rates above the market average for the same type of properties located in the same city, according to CIA;
"O2O"	abbreviated from online-to-offline, a system enticing consumers within a digital environment to make purchases of goods or services from physical businesses;
"QR code"	abbreviated from Quick Response Code, a type of dot matrix barcode that can be read by a two-dimensional barcode scanner or a smart phone, which translates the dots into various types of characters;
"residential communities" or "residential properties"	properties which are purely residential or mixed-use properties containing residential units and ancillary facilities that are nonresidential in nature such as commercial or office units but excluding pure commercial properties;
"revenue-bearing GFA" or "GFA under management"	contracted GFA of properties that have been delivered, or are ready to be delivered after delivery notice which

	is given to the first group of property owners in such properties, for which the collection of property management fees has started as of the relevant date;
"RSA"	The asymmetric public key encryption technology developed by RSA Data Security, Inc.;
"second-tier cities"	as of the Latest Practicable Date, included 36 major cities, other than first-tier cities in the PRC, as categorized by the National Bureau of Statistics of the PRC, including provincial capitals, capitals of autonomous regions, direct-controlled municipalities and other major cities designated as "municipalities with independent planning" by the State Council in the PRC;
"South China"	for the purpose of this prospectus, a geographical and cultural region that covers the southernmost part of China, including Guangdong, Guangxi, Hainan, Hong Kong and Macau;
"Top 100 Property Management Companies"	an annual ranking of China-based property management companies by overall competitiveness published by CIA based on a number of key indicators, including management scale, operational performance, service quality, growth potential and social responsibility, which comprised 100, 100, 100, 210 and 200 companies, respectively, for 2012, 2013, 2014, 2015 and 2016;
"undelivered GFA"	contracted GFA of properties that are not yet ready to be delivered in relation to which the collection of property management fees and provision of management services have not started as of the relevant date;
"vacation property"	properties that are located close to (within a radius of 30 km) tourist resorts or famous tourist attractions (AAAA level and above) and developed in reliance on the surrounding tourism resources (such as lakes, coast lines, hot springs and ancient towns), which integrate the resort, living, tourism and leisure functions of properties with self-contained tourism infrastructure and equipment;
"Pearl River Delta"	a delta region in China including Guangdong, Hong Kong and Macau;

We have included in this prospectus forward-looking statements. Statements that are not historical facts, including statements about our intentions, beliefs, expectations or predictions for the future, are forward-looking statements.

We have included in this prospectus forward-looking statements that are not historical facts but relate to our intentions, beliefs, expectations or predictions for future events and conditions which may not occur at all or as we expect. Even though these statements have been made by our Directors after due and careful consideration and on bases and assumptions that we believe are fair and reasonable at the time, they nevertheless involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Some of the risks are listed in the section entitled "Risk Factors" and elsewhere in this prospectus. In some cases, you can identify these forward-looking statements by words such as "aim," "anticipate," "believe," "continue," "could," "expect," "intend," "may," "might," "plan," "potential," "predict," "project," "propose," "seek," "should," "will," "would" or similar expressions, or their negatives. These forward-looking statements include, without limitation, statements relating to:

- any changes in the laws, rules and regulations of the central and local governments in the PRC and the rules, regulations and policies of the relevant governmental authorities relating to all aspects of our business and our business plans;
- our business and operating strategies and our ability to implement such strategies;
- the development of our one-stop service platform and business;
- our ability to control or reduce costs;
- our capability to identify and integrate suitable acquisition targets;
- expected growth of and changes in the PRC property management industry;
- our ability to maintain a strong relationship with relevant governmental authorities, our cooperating banks and customers;
- our future business development, results of operations and financial position;
- the future competitive environment for the PRC property management industry;
- determination of the fair value of our Shares;
- our dividend policy;
- capital market developments;
- exchange rate fluctuations and restrictions; and
- risks identified under the section entitled "Risk Factors" of this prospectus.

This prospectus also contains market data and projections that are based on a number of assumptions. The markets may not grow at the rates projected by the market data, or at all. The failure of the markets to grow at the projected rates may materially and adversely affect our business and the market price of our Shares. In addition, due to the rapidly changing nature of the PRC economy and the property management industry, projections or estimates relating to the growth prospects or future conditions of the markets are subject to significant uncertainties. If any of the assumptions underlying the market data prove to be incorrect, actual results may differ from the projections based on these assumptions. You should not place undue reliance on these forward looking statements.

We do not guarantee that the transactions and events described in the forward-looking statements in this prospectus will happen as described, or at all. Actual outcomes may differ materially from the information contained in the forward-looking statements as a result of a number of factors, including, without limitation, the risks and uncertainties set forth in the section entitled "Risk Factors" in this prospectus. You should read this prospectus in its entirety and with the understanding that actual future results may be materially different from what we expect. The forward-looking statements made in this prospectus relate only to events as of the date on which the statements are made or, if obtained from third-party studies or reports, the dates of the respective studies or reports. Since we operate in an evolving environment where new risks and uncertainties may emerge from time to time, you should not rely upon forward-looking statements as predictions of future events. We undertake no obligation, beyond what is required by law, to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made, even when our situation may have changed.

An investment in our H Shares involves various risks. You should carefully consider the following information about risks, together with the other information contained in this prospectus, including our consolidated financial statements and related notes, before you decide to purchase our H Shares. If any of the circumstances or events described below actually arises or occurs, our business, results of operations, financial position and prospects would likely suffer. In any such case, the market price of our H Shares could decline, and you may lose all or part of your investment. You should also pay particular attention to the fact that we are a PRC company and are governed by a legal and regulatory system which may differ from those prevailing in other countries. For more information concerning the PRC legal and regulatory system and certain related matters discussed below, see "Regulatory Overview" and "Appendix V—Summary of Principal PRC And Hong Kong Legal And Regulatory Provisions."

We believe that there are certain risks and uncertainties involved in our operations, some of which are beyond our control. We have categorized these risks and uncertainties into: (i) risks relating to our business and industry; (ii) risks relating to conducting business in the PRC; (iii) risks relating to the Global Offering and Spin-off. Additional risks and uncertainties that are not presently known to us or that we currently deem immaterial may develop and become material and could also harm our businesses, financial position and results of operations.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

Our future growth may not materialize as planned, and any failure to manage our future growth effectively may have a material adverse effect on our business, financial position and results of operations

We have been seeking to expand our business since our inception through organic growth as well as acquisitions of other property management companies. As of December 31, 2014, 2015 and 2016 and September 30, 2017, the properties which we were contracted to manage had an aggregate GFA of 44.9 million sq.m., 63.4 million sq.m., 73.4 million sq.m. and 102.1 million sq.m., respectively.

We seek to continue to expand through increasing the total GFA and the number of properties we are contracted to manage in existing and new markets, including properties developed by Agile Group, Greenland Holdings and independent third party property developers. Please see the section entitled "Business—Business Strategies—Further increase our business scale and market share" in this prospectus. However, our expansion plans are based upon our assessment of market prospects. We cannot assure you that our assessment will prove to be correct or that we can grow our business as planned. Our expansion plans may be affected by a number of factors, most of which are beyond our control. Such factors include:

- changes in China's economic condition in general and the real estate market in particular;
- changes in disposable personal income in the PRC;
- changes in government regulations;

- changes in the supply of and demand for property management and value-added services;
- our ability to generate sufficient liquidity internally and obtain external financing;
- our ability to recruit and train competent employees;
- our ability to select and work with suitable sub-contractors and suppliers;
- our ability to understand the needs of residents in the properties where we provide property management services;
- our ability to adapt to new markets where we have no prior experience and in particular, whether we can adapt to the administrative, regulatory and tax environments in such markets;
- our ability to leverage our brand names and to compete successfully in new markets, particularly against the incumbent players in such markets who might have more resources and experience than us; and
- our ability to improve our administrative, technical, operational and financial infrastructure.

We cannot assure you that our future growth will materialize or that we will be able to manage our future growth effectively, and failure to do so may have a material adverse effect on our business, financial position and results of operations.

We acquired Greenland Property Services in June 2017 and may fail to achieve the desired benefits from such acquisition or may need to make an impairment with respect to the goodwill of RMB919.0 million and other intangible assets of RMB91.7 million in connection with such acquisition, either of which could have a material adverse effect on our results of operations and financial position

In June 2017, we acquired Greenland Property Services from Greenland Holdings for a consideration of RMB1.0 billion. Our ability to integrate the acquired business may be affected by a variety of factors. These factors include, but are not limited to, the complexity and size of the acquired business, the risks of operating in new markets, unfamiliarity with new regulatory regimes, differences in corporate cultures, the inability to retain the acquired business's personnel, as well as additional hidden costs associated with the acquisition.

We may face difficulties in integrating the acquired operations with our existing business, particularly when integrating their existing workforce with ours. Greenland Property Services recorded a revenue of RMB60.5 million and a net loss of RMB0.7 million in the first half of 2017, which were not consolidated into the financial statements of our Group during the Track Record Period. The financial performance and cash flows of Greenland Property Services as of and for the three months ended September 30, 2017 included in our consolidated financial statements. For key financial and operational information on Greenland Property Services, see "Business—Our Cooperation with Greenland Holdings" of this prospectus. As a result, we cannot assure you that our acquisition of Greenland Property Services would achieve our desired strategic objectives or the expected return on investment. In addition, upon the completion of our acquisition of Greenland Property Services, we recorded a goodwill of RMB919.0 million in our consolidated balance sheet as of September 30, 2017, reflecting the difference between the total acquisition consideration of RMB1.0 billion and Greenland Property Services' total identifiable net assets of RMB81.0 million as of June 30, 2017. Such goodwill amount accounted for 40.2% of our total assets as of September 30, 2017. We also recorded other intangible assets of RMB91.7 million (including trademark of RMB17.1 million and customer relationship of RMB74.6 million) in our consolidated balance sheet as of September 30, 2017 in relation to such acquisition. In the future, impairment assessments will be undertaken annually or more frequently with respect to the goodwill and other intangible assets if events or changes in circumstances indicate a potential impairment. In making such assessment, if the assumptions with respect to the expected cash flow from the acquired assets or the discount rate change, the then assessed fair value can be lower than the then carrying amount of the goodwill. The expected cash flows from the acquired assets will in turn significantly depend on the actual delivery schedule of properties by Greenland Holdings for us to provide property management services. If we fail to achieve our desired objectives or if any unforeseen circumstance arises that decreases the expected cash flows from acquired assets, the fair value can be lower than the carrying amount on our financial statements. Under such circumstance, we may need to record impairments against our goodwill and other intangible assets in our financial statements, which may materially and adversely reduce our assets and impact our profitability. Our acquisition of Greenland Property Services could also disrupt our ongoing business, distract our management and employees or increase our expenses, any of which could materially and adversely affect our business, results of operations and financial position.

Our future acquisitions may not be successful

We plan to continue to evaluate opportunities to acquire other property management companies and other businesses that are supplementary to our existing business and integrate their operations into our business. However, we cannot assure you that we will be able to identify suitable opportunities.

Even if we manage to identify suitable opportunities, we may not be able to complete the acquisitions on terms favorable or acceptable to us, in a timely manner, or at all. The inability to identify suitable acquisition targets or complete acquisitions could materially and adversely affect our competitiveness and growth prospects.

Acquisitions that we complete also involve uncertainties and risks, including, without limitation:

- potential ongoing financial obligations and unforeseen or hidden liabilities;
- inability to apply our business model or standardized business processes on the acquisition targets;
- failure to achieve the intended objectives, benefits or revenue-enhancing opportunities; and
- diversion of resources and management attention.

Approximately 65%, or HK$2,589.4 million, of the proceeds raised from this Offering will be used to pursue selective strategic investment and acquisition opportunities and further develop strategic alliances. See the section entitled "Future Plans and Use of Proceeds—Use of Proceeds" in this prospectus. If we fail to identify suitable acquisition opportunities or our future acquisition transactions fail to consummate for other reasons which may be beyond our control, our proceeds from this Offering may not be effectively used.

We cannot assure you that we can procure new property management service contracts

During the Track Record Period, we procured new property management service contracts primarily through tender processes. The selection of a property management company depends on a number of factors, including but not limited to the quality of services, the level of pricing and the operating history of the property management company. We cannot assure you that we will be able to procure new property management service contracts in the future at all or at acceptable terms.

Furthermore, a significant portion of our property management service contracts related to the management of properties that were developed by Agile Group during or before the Track Record Period. In 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017, the revenue from management services provided to the properties developed by Agile Group accounted for approximately 100.0%, 99.9%, 81.7%, 81.9% and 80.1%, respectively, of our revenue from property management services. In June 2017, we acquired Greenland Property Services and established a strategic alliance with Greenland Holdings. The acquisition of Greenland Property Services added an additional GFA under management of approximately 2.0 million sq.m. to our existing GFA under management as of September 30, 2017. Greenland Holdings has agreed to, under an investment cooperation framework agreement with us and Agile Group, to the extent permitted by law, endeavor to engage us as their property management service provider and to deliver a GFA of not less than 7.0 million sq.m. per annum to us for management, and to give us priority when selecting their future property management service provider for an additional GFA of 3.0 million sq.m. per annum, during the period from January 1, 2018 to December 31, 2022. For details, see the section entitled "Business—Our Cooperation with Greenland Holdings" in this prospectus. However, the planned schedule of delivery of GFA from Greenland Holdings to us for management is subject to uncertainties. We cannot assure you that Greenland Holdings will actually engage us as their property management service provider or give us priority when selecting their future property management service provider for any property they develop, particularly because the appointment of property management service provider is subject to a tender process. Any adverse development in the operations of Agile Group or Greenland Holdings or their ability to develop new properties may affect our ability to procure new property management service contracts. If we are not able to supplement any shortfall in business from properties developed by Agile Group or Greenland Holdings with business from properties developed by independent property developers, our growth prospects may be materially and adversely affected.

We may be subject to losses and our profit margins may decrease if we fail to control our costs in performing our property management services on a lump sum basis

We primarily generated revenue from property management services on a lump sum basis, which accounted for 98.4%, 98.1%, 97.8%, 97.7% and 97.8%, respectively, of our total revenue from property management services for 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017. On a lump sum basis, we charge property management fees at a pre-determined fixed lump sum price per sq.m. per month, representing "all-inclusive" fees for the property management services provided. These management fees do not change with the actual amount of property management costs we incur. We recognize as revenue the full amount of property management fees we charge to the property owners or property developers, and recognize as our cost of sales the actual costs we incur in connection with rendering our services. For more information, please see the sections entitled “Business—Property Management Fees—Property Management Fees Charged on a Lump Sum Basis” and “Financial Information—Certain Significant Accounting Policies and Accounting Estimates and Judgments—Revenue recognition” in this prospectus.

In the event that the amount of property management fees that we charge is insufficient to cover all the costs for property management service we incur, we are not entitled to collect the shortfall from the relevant property owners or property developers. As a result, we may suffer losses. During the Track Record Period, we incurred loss in an aggregate amount of RMB19.7 million, RMB14.6 million, RMB2.1 million and RMB3.8 million, respectively, with respect to eight, 10, 11 and 11 properties, respectively, which were managed under lump sum basis for 2014, 2015, 2016 and the nine months ended September 30, 2017. The aggregate revenue generated from such loss-making properties was RMB49.6 million, RMB54.5 million, RMB58.7 million and RMB33.9 million, respectively, for 2014, 2015, 2016 and the nine months ended September 30, 2017, representing approximately 6.0%, 5.8%, 4.7% and 2.9%, respectively, of our total revenue for the same periods.

If we are unable to raise property management fee rates and there is a shortfall of working capital after deducting the property management costs, we would seek to cut costs with a view to reducing the shortfall. However, our ability to mitigate against such losses through cost-saving initiatives such as operation automation measures to reduce labor costs and energy-saving measures to reduce energy costs may not be successful, and our cost-saving efforts may negatively affect the quality of our property management services, which in turn would further reduce the owners’ willingness to pay us the property management fees.

Increase in labor costs and sub-contracting costs could harm our business and reduce our profitability

In 2014, 2015, 2016 and the nine months ended September 30, 2017, our employee benefit expenses recorded as cost of sales accounted for 59.9%, 58.2%, 54.7% and 53.2%, respectively, of our total cost of sales. During the same periods, our sub-contracting costs represented 14.6%, 17.6%, 21.5% and 33.9%, respectively, of our total cost of sales. To maintain and improve our profit margins, it is critical for us to control and reduce our labor costs as well as other operating costs. We face pressure from rising labor and sub-contracting cost due to various contributing factors, including but not limited to:

- *increases in minimum wages*. The minimum wage in the regions where we operate has increased substantially in recent years, directly affecting our direct labor costs as well as the fees we pay to our third-party sub-contractors.

- *increases in headcount*. As we expand our operations, the headcount of our property management staff, sales and marketing staff and administrative staff will continue to grow. We will also need to retain and continuously recruit qualified employees to meet our growing demand for talent, which will further increase our total headcount. Moreover, as we continue to expand our business scale, we will need a growing number of subcontractors. This increase in headcount also increased other associated costs such as those related to training, social insurance fund and housing provident fund contributions and quality control measures.

- *delay in implementing management digitalization, service professionalization, procedure standardization and operation automation*. There is a lapse in time between our commencement of property management services for a particular property and any implementation of our management digitalization, service professionalization, procedure standardization and operation automation measures to that property to reduce labor costs. Before we carry out such measures, our ability to mitigate the impact of labor cost increase is limited.

We cannot assure you that we will be able to control our costs or improve our efficiency. If we cannot achieve this goal, our business, financial position and results of operations may be materially and adversely affected.

We may not be able to collect property management fees from property owners and property developers and as a result, may incur impairment losses on receivables

We may encounter difficulties in collecting property management fees from property owners especially in communities where the vacancy rate is relatively high. Even though we seek to collect overdue property management fees through a number of collection measures, we cannot assure you that such measures will be effective or enable us to accurately predict our future collection rate.

Our allowance for impairment of trade receivables amounted to RMB4.0 million, RMB5.0 million, RMB6.4 million and RMB7.9 million as of December 31, 2014, 2015 and 2016 and September 30, 2017, respectively. Our collection rate of property management fees, calculated by dividing the property management fees we actually received during a period by the total property management fees payable to us accumulated during the same period, was 95.5%, 95.4%, 94.1%, 92.5% and 93.5%, respectively, in 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017. Although our management's estimates and the related assumptions have been made in accordance with information available to us, such estimates or assumptions may need to be adjusted if new information becomes known. See the section entitled "Financial Information—Certain Significant Accounting Policies and Accounting Estimates and Judgments—Trade and other receivables" in this prospectus. In the event that the actual recoverability is lower than expected, or that our past allowance for impairment of trade receivables becomes insufficient in light of any new information, we may need to provide for an additional allowance for impairment of trade receivables, which may in turn materially and adversely affect our business, financial position and results of operations.

In addition, before allowance for impairment of trade receivables, our trade receivables increased by 107.1% from RMB142.7 million as of December 31, 2016 to RMB295.5 million as of September 30, 2017, primarily due to, among other things, the addition of Greenland Property Services' trade receivables in the amount of RMB111.8 million, following our acquisition of Greenland Property Services on June 30, 2017. Out of the RMB111.8 million trade receivables of Greenland Property Services, RMB73.8 million was due from Greenland Holdings with the remaining due from the third party property owners and residents of Greenland Property Services. Delays in receiving payments from, or non-payment by, Greenland Holdings or the third party property owners and residents of Greenland Property Services may adversely affect our cash flow position and our ability to meet our working capital requirements.

Our one-stop service platform may not grow as planned

We commenced the implementation of our one-stop service platform in selected properties in July 2016. For more information, please see the section entitled "Business—Our One-stop Service Platform" in this prospectus. We plan to focus on developing our one-stop service platform by expanding the coverage of our services on the platform and integrating our one-stop service platform with the provision of our steward services. We aim to expand the functionality of our one-stop service platform and our mobile applications, in particular, "A-Steward" (雅管家) and "A-Business" (雅商家), to increase accessibility and improve user experience and plan to attract further use by residents of the properties we manage as well as local vendors.

However, our "A-Steward" (雅管家) and "A-Business" (雅商家) mobile applications are relatively new and still evolving and we cannot assure you that we will be able to grow our one-stop service business as planned. The future growth of our "A-Steward (雅管家)" and "A-Business" (雅商家) mobile applications depends on our ability to continue to attract new users as well as to increase the spending and repeat purchase rate of existing users. Changing consumer preferences have historically affected, and will continue to affect, the e-commerce industry. As a result, we must stay abreast of emerging life-style and consumer preferences and anticipate product trends that will appeal to existing and potential users. New products and services, or entrance into new markets, may require substantial time, resources and capital, and profitability targets may not be achieved. We cannot assure you that the residents will use the services and products on our one-stop service platform. We may also fail to attract suitable vendors to provide products and services on our platform. If our residents cannot find desired products or services within our portfolio at attractive prices, our residents may lose interest in our "A-Steward" (雅管家) mobile application and thus may use our mobile application less frequently, if at all, which in turn, may adversely affect our business, our results of operations and our financial position.

Moreover, we may also encounter technical problems, security issues and logistical issues that may prevent our platform from functioning properly and our users from receiving desired products and services. We may also be subject to product liability arising from reselling the products or services on our platform under the Law of the People's Republic of China on the Protection and Rights and Interests of Consumers (《中華人民共和國消費者權益保護法》), the Tort Law of the PRC (《中華人民共和國侵權責任法》) and other relevant PRC laws and regulations. If we are unable to resolve such problems in a timely manner, or at all, we may lose our existing users or face lower user engagement.

In addition, we may not be able to recruit sufficient qualified personnel to support the growth of our one-stop service platform. We cannot assure you that our investment in our one-stop service platform can be recovered in a timely manner, or at all, or our return would be comparable to those of other companies. In addition, our development of and investment in our one-stop service platform may be subject to PRC laws and regulations governing license approval and renewal. We have obtained a food sales license from the Market and Quality Supervision Administration of Nansha District, Guangzhou (廣州市南沙區市場和質量監督管理局) which is valid until June 29, 2022. See the section entitled "Regulatory Overview—Legal Supervision over the Internet Information Services—Supervision on Internet Information

Services" in this prospectus. We cannot assure you that we can obtain or renew our license on time, if at all. Any of the foregoing could adversely affect our reputation, business, financial position and results of operations.

Our one-stop service platform is subject to third-party payment processing related risks

We accept payments using a variety of methods, including payment through third-party online payment platforms such as WeChat Pay and Alipay, online payments with credit cards and debit cards issued by banks in China, and may accept payment on delivery in the future. For certain payment methods, including credit and debit cards, we will pay interchange and other fees, which may increase over time and raise our operating costs and lower our profitability. We may also be subject to fraud and other illegal activities in connection with the various payment methods we offer, including online payment and payment on delivery options. We are also subject to various rules and requirements, regulatory or otherwise, governing electronic funds transfers, which are subject to change or reinterpretation that could make it difficult or impossible for us to comply with. If we fail to comply with these rules or requirements, we may be subject to fines and higher transaction fees and lose our ability to accept credit and debit card payments from consumers, process electronic funds transfers or facilitate other types of online payments, and our business, financial position and results of operations could be materially and adversely affected.

Our historical results may not be indicative of our future prospects and results of operations

Although we experienced stable revenue and profit growth during the Track Record Period, we cannot assure you that we can sustain such growth in the future. Our profitability depends partially on our ability to control costs and operating expenses, which may increase as our business expands. In addition, we may continue to devote significant resources to develop our one-stop service platform. This initiative may negatively impact our short-term profitability. If our efforts in one-stop service platform development prove ineffective, and we fail to increase revenue, or if our cost and operating expense grow faster than our revenue, our business, financial position and results of operations may be negatively affected.

We recorded net current liabilities during the Track Record Period. We cannot assure you that we will not experience net current liabilities in the future, which could expose us to liquidity risks

We recorded net current liabilities of RMB222.2 million and RMB114.7 million, respectively, as of December 31, 2014 and 2015. Our net current liabilities as of December 31, 2014 and 2015 were primarily due to other payables due to Agile Group. See the section entitled "Financial Information—Net Current Assets and Net Current Liabilities" in this prospectus for further discussion on our net current liabilities.

We cannot assure you that we will not record net current liabilities again in the future. A net current liabilities position exposes us to liquidity risks. Our future liquidity, the payment of trade and other payables and the repayment of debt financing will primarily depend on our ability to generate adequate cash inflows from our operating activities. If we experience a shortage in cash flow generated from operations, our liquidity position may be materially and adversely affected, which, in turn, may impact our ability to execute our business strategies. If such event occurs, our results of operations and financial position will be materially and adversely affected.

Termination or non-renewal of our property management service contracts to a significant number of properties could have a material adverse effect on our business, financial position and results of operations

In 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017, revenue generated from our property management services accounted for 72.0%, 73.9%, 78.6%, 77.5% and 76.8%, respectively, of our total revenue. Our property management contracts with property developers generally do not specify the expiration date and will generally only be terminated in practice upon the establishment of a property owners' association at a particular property, and our property management contracts with the property owners' associations generally have terms of approximately three to five years. As of September 30, 2017, property owners' associations were established in nine communities we manage, accounting for approximately 4.0% of the total number of communities we manage (excluding consultancy projects). As of September 30, 2017, 187 of our 260 property management contracts in an aggregate GFA of 40.2 million sq.m. did not indicate expiration dates, while the remaining property management contracts in an aggregate GFA of 35.9 million sq.m. had expiration dates. For more information, please see the section entitled ''Business—Property Management Services—Overview'' in this prospectus. Although, according to PRC laws, the establishment of property owners' associations is subject to certain restrictions, we cannot assure you that these restrictions will not be removed in the future. Further, property owners at the properties we manage may become more active and unified to establish property owners' associations in the future, but we cannot assure you that we will be engaged by the property owners' associations to provide property management services. For more information, please see the section entitled "Business—Property Management Services—Agreements for Our Property Management Services" in this prospectus.

Moreover, we cannot assure you that our property management contracts will not be terminated prior to expiration or will be renewed when their terms expire. Termination or non-renewal of a significant number of property management contracts could have a material adverse impact on our business, financial position and results of operations.

We rely on third-party sub-contractors to perform certain property management services

We delegate certain property management services, primarily including cleaning, greening, gardening and repairs and maintenance services, to third-party sub-contractors. In 2014, 2015, 2016 and the nine months ended September 30, 2017, the fees paid to third-party sub-contractors were approximately RMB106.4 million, RMB138.1 million, RMB200.8 million and RMB266.2 million, respectively, accounting for approximately 14.6%, 17.6%, 21.5% and 33.9% of our total cost of sales, respectively. We may not be able to monitor their services as directly and efficiently as with our own services. They may take actions contrary to our or our customers' instructions or requests, or be unable or unwilling to fulfill their obligations. As a result, we may have disputes with our sub-contractors, or may be held responsible for their actions, either of which could lead to damages to our reputation, additional expenses and business disruptions and potentially expose us to litigation and damage claims.

We cannot assure you that upon the expiration of our agreements with our current third-party sub-contractors we will be able to renew such agreements or find suitable replacements in a timely manner, on terms acceptable to us, or at all.

In addition, if our third-party sub-contractors fail to maintain a stable team of qualified manual labor or do not have easy access to a stable supply of qualified manual labor or fails to perform their obligations properly or in a timely manner, the work process may be interrupted. Any interruption to the third-party sub-contractors' work process may potentially result in a breach of the contract between our customers and us. Any of such events could materially and adversely affect our service quality, our reputation, as well as our business, financial position and results of operations.

We have a limited operating history in our travel, advertising, property agency and home inspection businesses

We began to provide travel, advertising, property agency and home inspection services in October 2015, June 2016, July 2017 and April 2017, respectively. We have a short operating history in the businesses of travel, advertising, property agency and home inspection, and you should consider our prospects in light of the risks, expenses and challenges that we may face as an early-stage company with limited experience operating such businesses in a competitive market. We have encountered and expect to continue to encounter risks and difficulties frequently experienced by early-stage businesses, and those risks and difficulties may be heightened in a rapidly evolving market. Some of the risks affect our ability to:

- retain customers and qualified employees;
- maintain effective control of our development as well as operating costs and expenses;
- develop and maintain internal personnel, systems, controls and procedures to comply with the extensive regulatory requirements applicable to the relevant industries;
- respond to competitive market conditions in the relevant industries; and
- respond to changes in our regulatory environment.

Our failure to achieve any of the above may jeopardize our ability to operate our travel, advertising, property agency, travel agency and home inspection businesses in the manner we contemplate, which in turn would cause an adverse effect on our business and prospects, financial position, results of operations and cash flows.

We are in a highly competitive business with numerous competitors and if we do not compete successfully against existing and new competitors, our business, financial position, results of operations and prospects may be materially and adversely affected

The PRC property management industry is highly competitive and fragmented. See the section entitled "Industry Overview—The Property Management Industry in the PRC—Competition—Competitive Landscape" in this prospectus. Our major competitors include large national, regional and local property management companies. Competition may intensify as our competitors expand their product or service offerings or as new competitors enter our existing or new markets. We believe that we compete with our competitors on a number of factors, primarily including business scale, brand recognition, financial resources, price and service quality. Our competitors may have better track records, longer operating histories, greater financial, technical, sales, marketing, distribution and other resources, greater name recognition and larger customer bases. As a result, these competitors may be able to devote more resources to the development, promotion, sale, and support of their services. In addition to competition from established companies, emerging companies may enter our existing or new markets. We cannot assure you that we will be able to continue to compete effectively or maintain or improve our market position, and such failure could have a material adverse effect on our business, financial position and results of operations.

We believe our current success can be partially attributed to our standardization of operations in providing our property management services. We plan to refine our service standardization practice to enhance the quality and consistency of our services, improve our on-site service teams' efficiency and reduce our costs. Our competitors may emulate our business model, and we may lose a competitive advantage that has distinguished ourselves from our competitors. If we do not compete successfully against existing and new competitors, our business, financial position, results of operations and prospects may be materially and adversely affected.

Furthermore, we may lose property developer clients who decide to enter into the property management business themselves, which will also intensify competition in the market. We seek to have large and reputable property developers as our clients, and such clients may develop their own property management businesses and provide property management services in-house. In such event, we may lose future business from such property developers, and our business, results of operations and financial position could be materially and adversely affected.

For our one-stop service platform, we face intense competition in the market for customers and suppliers, and we expect the competition to continue to intensify in the future. In particular, we may encounter more intense competition from property developers with full-fledged property management services capacity when we seek to extend our one-stop service platform into properties managed by them or explore opportunities in markets where they have strong influence since they may already have their own O2O platforms. Increased competition in the property management industry and the O2O industry may result in reduced pricing for our services and a decrease in our market share, either of which could negatively affect our results of operations and our ability to grow our business.

We may fail to recover all payments on behalf of property owners and residents of the properties managed on a commission basis

In 2014, 2015, 2016 and the nine months ended September 30, 2017, revenue generated from our property management services on a commission basis accounted for 1.6%, 1.8%, 1.8% and 1.5%, respectively, of our total revenue from property management services. When we are contracted to manage communities on a commission basis, we essentially act as an agent of the property owners. Since the management offices of these communities have no separate bank accounts, all transactions related to these management offices are settled through our treasury function. As of the end of a reporting period, if the working capital of a management office accumulated in our treasury function is insufficient to cover the expenses the management office has incurred and paid through our treasury function to arrange for property management services at the relevant community, the shortfall is recognized as long-term receivable subject to impairment.

Management estimation is required to determine whether the management offices have the ability to settle the payments on behalf of residents. We take into consideration a number of indicators to determine whether there is any objective evidence of impairment loss on payments on behalf of residents, including, among others, subsequent settlement status, historical write-off experience and management fee collection rate of the residents in estimating the future cash flows from the receivables. Except for communities for which we plan to terminate the related property management contracts by not renewing such contracts due to their inability to meet our financial expectations, based on our operational history, we also assume that we will be able to either renew the relevant contracts or continue to manage them beyond the expiration dates of the related property management contracts on similar terms. Some of the payments on behalf of residents may have lower recoverability if the relevant communities have poor financial performance. For instance, if a significant number of communities consistently carry account payables which are significantly higher than their receivables at the management office level, their financial and liquidity positions may deteriorate, which in turn may affect the recoverability of our payments on behalf of residents attributable to them. In addition, during the Track Record Period, we did not terminate any contract relating to communities we managed on a commission basis. For the balances that our management believes may not be recovered within a reasonable time, we write such balances off as an impairment of trade receivables. For further information on impairment of payments on behalf of residents, please see the section entitled "Financial Information—Critical Accounting Estimates and Judgments—Allowance on doubtful receivables" in this prospectus.

Although our management's estimation or the related assumptions have been made in accordance with information available to us currently, such estimation or assumptions may need to be adjusted if new information becomes known. In the event that the actual recoverability is lower than expected, or that our past allowance on bad debt becomes insufficient in light of new information, we may need to make more allowance on bad debt, which in turn may materially and adversely affect our business, financial position and results of operations.

Interruptions and security risks to our IT systems, including security breaches and identity theft, may result in disruption of our operations and reduced use of our applications by our customers, and expose us to the risk of litigation which could materially and adversely affect our business, financial position, results of operations and our reputation

We operate under a comprehensive internal management system where information related to human resources and financials is processed automatically. If we are unable to detect any system error, continue to upgrade our IT systems and network infrastructure and take other steps to improve the efficiency of our IT systems, there may be system interruptions or delays, which could adversely affect our operating results. In addition, we may experience occasional system interruptions and delays to our one-stop service platform or customer service systems that make our applications' services unavailable or difficult to access, and prevent us from promptly responding or providing services to our customers, which may reduce the attractiveness of our applications and even incur losses to our customers who may bring legal proceedings against us.

Moreover, transactions through our "A-Steward" (雅管家) mobile application may be conducted through third-party online payment platforms. In these online payment transactions, secured transmission of confidential information, such as customers' personal and billing information, over public networks is essential to maintain consumer confidence. As the prevalence of using online payment methods increases, associated online crimes will likely increase as well. Although we have implemented a series of measures to protect our Company against security breaches, such as encrypting the transmission channel of payment information with Https, encrypting payment information with RSA, transmitting payment information through the background systems of A-Steward and the third-party online payment platform, verifying the source of information with IP address and port number checking, and using advanced firewalls to enhance security on our A-Steward, our current security measures and those of the third-party online payment platform service providers may still not be adequate. Increasing and enhancing our security measures and efforts may impose additional costs and expenses but still not guarantee complete safety.

In addition, we do not have control over the security measures of our third-party online payment platform service providers. Security breaches of the online payment platforms that we use could expose us to litigation and possible liability for failing to secure confidential user information and could, among other things, damage our reputation. Furthermore, even if a security breach did not occur on the online payment platforms that we use, if an Internet or mobile network security breach were to occur, the perceived security of online payment platforms in general may be adversely affected and cause users to be reluctant to utilize our “A-Steward” (雅管家) mobile application. Any leak of confidential information or data, breach of network security or other misappropriation or misuse of personal information could cause interruptions in the operations of our business and subject us to increased costs, litigation and other liabilities, which could materially and adversely affect our business, financial position, results of operations and our reputation.

Some of our property management agreements were obtained without going through the required tender and bidding process

As of September 30, 2017, we were selected by a number of property developers to provide management services for 30 properties without going through the required tender and bidding process. Such properties had an aggregate GFA of approximately 8.3 million sq.m. as of September 30, 2017. The revenue from our management of such properties amounted to approximately RMB84.1 million, RMB94.2 million, RMB107.1 million and RMB85.0 million, respectively, in 2014, 2015, 2016 and the nine months ended September 30, 2017, accounting for approximately 10.2%, 10.1%, 8.6% and 7.3%, respectively, of our total revenue for the same periods. For details, see the section entitled “Business—Property Management Services—Agreements for our property management services” in this prospectus.

Under the Property Management Regulations, a residential property developer shall hire qualified property management service providers by going through a tender and bidding process. According to the Property Management Regulations, a residential property developer may be required to take rectification measures within a prescribed period and pay fines up to RMB100,000 if it fails to comply with such tender and bidding requirement.

The lack of a tender and bidding process for the selection of property management service providers for the 30 properties was not caused by us but the relevant property developers. As advised by our PRC Legal Advisor, King & Wood Mallesons, based on the acknowledgement of the competent governmental authorities, no administrative penalty will be imposed on us by the relevant governmental authorities. However, such property management contracts may be determined to be invalid by the administrative authorities or the local judicial authorities. If this occurs, we may lose a portion of our revenue accrued under such property management contracts. In addition, the relevant property developer may need to organize a tender and bidding process to select a property management service provider for their developed projects.

In the case that we do not win the tender and bidding, we may not continue our property management services for the relevant projects and, as a result, our revenue and business may be negatively impacted.

For more details, please see the section entitled “Business—Property Management Services—Agreements for Our Property Management Services” in this prospectus.

Interruptions to standardized, centralized and digitalized operations, which rely on our centralized command center, may materially and adversely affect our business, financial position and results of operations

With the aid of automation devices and our centralized command center, we have centralized certain standardized services to our headquarters by instructing and supervising on-site service teams through remote security cameras and receiving requests and feedback from residents through our “400” customer service hotline. For more information, see the section entitled “Business—Property Management Services—Management Digitalization, Service Specialization, Procedure Standardization and Operation Automation” in this prospectus.

Many factors such as power outage and damage to our equipment may cause interruptions to our centralized remote system and customer service hotline. If we experience any power outage, our computer system which is key to our remote surveillance system may not function properly. Our equipment may also be subject to damages caused by unforeseeable events and unexpected natural disasters, such as earthquake, fire or flood, or other similar events. If there is any interruption to our centralized business operations, our business, financial position and results of operations may be materially and adversely affected.

Damages to the communal areas of the communities we manage as a result of any natural disasters, intended or unintended actions of residents or other events could adversely affect our business, results of operations and financial position

The communal areas of the communities we manage may be damaged or impacted in a variety of ways that are out of our control, including but not limited to natural disasters, residents’ intended or unintended actions, and epidemics, such as severe acute respiratory syndrome. For example, in the event of natural disasters, such as earthquake, typhoon and flood, the communal areas may be materially damaged. Although a special fund for residence maintenance is available to cover the cost of repairing or restoring the damaged areas in such circumstances, we cannot assure you that such fund will be sufficient. If any person purposely or recklessly sets fire or causes flooding in an apartment or communal area, the exterior of the building, corridors and stairways may be damaged. If a person commits or is suspected of having committed criminal activities within our residential communities, we need to allocate additional resources to assist the police and other governmental authorities in their investigations. In the event of any damage that affects the communal areas, our current residents may be affected and we may have to repair the damage with the relevant special fund for maintenance. If the remaining balance of such special fund after our drawdown is less than a certain percentage of the initial amount, residents of the relevant communities need to refill such fund. The refill plan needs to be approved by the property owners’ association or the local housing authority. If the refill plan is not approved on terms favorable to us, if at all, we may face difficulties in collecting sufficient fees from residents and we may suffer loss as a consequence. See the section entitled “Regulatory Overview—Legal Supervision over Property Management Services—Charging of Property Management Enterprises” in this prospectus.

The additional costs we incur due to damage to the communal areas of our properties may increase along with our business growth and geographic expansion. For example, certain areas where we operate may be located on earthquake belt or may be subject to typhoons. Although none of our assets, business, results of operations and financial positions were materiality affected during the Track Record Period, we continue to be exposed to such risks that a material number of the properties may suffer damage due to reasons such as natural disasters, epidemics and residents' intended or unintended actions.

Accidents in our business may expose us to liability and reputational risk

Accidents may occur during the course of our business. We provide repair and maintenance services to property developers and the properties we manage through our own employees and third-party sub-contractors. Repair and maintenance services such as elevator maintenance involve the operation of heavy machinery and, are subject to risks of accidents. These occurrences could result in damage to, or destruction of, properties of the communities, personal injury or death and legal liability. Working in a dangerous environment presents risks to our employees and third-party sub-contractors. In addition, we are exposed to claims that may arise due to employees' or third-party sub-contractors' negligence or recklessness when performing repair and maintenance services. We may be held liable for the injuries or deaths of employees, subcontractors, residents or others. We may also experience interruptions to our business and may be required to change the manner in which we operate as a result of governmental investigations or the implementation of safety measures upon occurrence of accidents. Any of the foregoing could adversely affect our reputation, business, financial position and results of operations.

Negative publicity, including adverse information on the internet, about us, our Shareholders and affiliates, our brand, management, vendors and product offerings on our one-stop service platform may have a material adverse effect on our business, reputation and the trading price of our Shares

Negative publicity about us, our Shareholders and affiliates, our brand, management, vendors and product offerings on our one-stop service platform may arise from time to time. Negative comments on the properties managed by us, products offered on our one-stop service platform, our business operations and management may appear in internet postings and other media sources from time to time and we cannot assure you that other types of negative publicity will not arise in the future. For example, if our one-stop service platform fails to meet the needs and expectations of our customers, our customers may disseminate negative comments about our services. In addition, partner vendors on our one-stop service platform may also be subject to negative publicity for various reasons, such as customers' complaints about the quality of their products and services or other public relation incidents with respect to such vendors, which may adversely affect the sales of their products or services on our one-stop service platform and indirectly affect our reputation. Moreover, negative publicity about other O2O platforms for property management services or e-commerce service providers in China may arise from time to time and cause customers to lose confidence in the products and services offered through our one-stop service platform. Any such negative publicity, regardless of veracity, may have a material adverse effect on our business, our reputation and the trading price of our Shares.

We may not be able to detect and prevent fraud or other misconduct committed by our employees or third-parties

We are exposed to fraud or other misconduct committed by our employees, subcontractors, agents, customers or other third parties that could subject us to financial losses and sanctions imposed by governmental authorities as well as seriously harm our reputation. For example, theft conducted by third parties may cause us to make compensation if we were held to be negligent or reckless and will also cause us to suffer damage to our reputation in the market. In addition, in managing our one-stop service platform, we rely, to a large extent, on third-party service providers that we cooperate with to deliver products and services to residents, and any major interruptions to or failures in these third-parties' services could prevent the timely and successful delivery of relevant goods or services. These interruptions may be due to unforeseen events that are beyond our control or the control of these third-party companies, such as inclement weather, natural disasters, transportation interruptions or labor unrest or shortage. If the purchased goods are not delivered on time or are delivered in a damaged state or if the purchased services are not timely or properly rendered, customers may refuse to accept the goods or services and may claim refund from us or the relevant vendors on our one-stop service platform, and the vendors on our one-stop service platform may have less confidence in our services. As a result, we may lose vendors on our one-stop service platform, and our financial position and reputation could be damaged.

Our management information system and internal control procedures are designed to monitor our operations and overall compliance. However, they may be unable to identify non-compliance and/or suspicious transactions in a timely manner, or at all. Further, it is not always possible to detect and prevent fraud and other misconduct, and the precautions we take to prevent and detect such activities may not be effective. There will therefore continue to be the risk that fraud and other misconduct may occur, including negative publicity as a result, which may have an adverse effect on our business, reputation, financial position and results of operations.

Our success depends upon the retention of our senior management, as well as our ability to attract and retain qualified and experienced employees, and resignation of any member of our senior management would affect our operations

Our continued success is highly dependent upon the efforts of our Executive Directors and other key employees, including Mr. Liu Deming and Mr. Feng Xin who are experienced in property management and related industries and Mr. Dong Yafu who is experienced in the community O2O industry. For further information on our senior management, please see the section entitled "Directors, Supervisors and Senior Management" in this prospectus. If any of our key employees leaves and we are unable to promptly hire and integrate a qualified replacement, our business, financial position and results of operations may be materially and adversely affected. In addition, the future growth of our business will depend, in part, on our ability to attract and retain qualified personnel in all aspects of our business, including corporate management and property management personnel. If we are unable to attract and retain these qualified personnel, our growth may be limited and our business, financial position and operating results could be materially and adversely affected.

Our failure to protect our intellectual property rights could have a negative impact on our business and competitive position

We consider our intellectual properties such as the trademarks of 雅生活, G+生活 and as our crucial business assets, key to our customer loyalty and essential to our future growth. The success of our business depends substantially upon our continued ability to use our brands, trade names and trademarks to increase brand recognition and to develop our brands. The unauthorized reproduction of our trade names or trademarks could diminish the value of our brands as well as our market reputation and competitive advantages. Please see the section entitled "Business—Intellectual Property" in this prospectus.

We rely on a combination of trademarks, confidentiality procedures and contractual provisions to protect our intellectual property rights. Nevertheless, these measures afford limited protection. Policing unauthorized use of proprietary information can be difficult and expensive. In addition, enforceability, scope and validity of laws governing intellectual property rights in the PRC are uncertain and still evolving, and could involve substantial risks to us. To our knowledge, the relevant authorities in the PRC historically have not protected intellectual property rights to the same extent as most developed countries. If we were unable to detect unauthorized use of, or take appropriate steps to enforce, our intellectual property rights, it could have a material adverse effect on our business, results of operations and financial position.

We use the trademark "Agile," which is held by one of our related parties, Stand Power Investments Limited, an indirect wholly owned subsidiary of Agile Holdings. We have entered into a trademark license deed and a trademark license agreement with Agile Holdings and Greenland Holdings, respectively, for the use of the "Agile" and "Greenland" trademarks on a royalty free basis. For further details, see the section entitled "Connected Transactions—(A) Continuing Connected Transactions Fully Exempt from the Reporting, Annual Review, Announcement and Independent Shareholders' Approval Requirements—1. Trademark Licensing Agreements" in this prospectus. If we fail to renew the authorization to use such trademarks or Agile Holdings or Greenland Holdings suspends or terminates its authorization of such trademarks to us, our business, financial position and results of operations may be materially and adversely affected. We are also exposed to the risk that a third party successfully challenges Agile Holdings' or Greenland Holdings' ownership of, or our right to use, the "Agile" or "Greenland" trademarks or if a third party uses the "Agile" or "Greenland" trademarks without authorization.

Our insurance may not sufficiently cover, or may not cover at all, losses and liabilities we may encounter

We cannot assure that our insurance coverage will be sufficient or available to cover damage, liabilities or losses we may incur in the course of our business. Moreover, there are certain losses for which insurance is not available in the PRC on commercially practicable terms, such as losses suffered due to business interruptions, earthquakes, typhoons, flooding, war or civil disorder. If we are held responsible for any such damages, liabilities or losses and there is an insufficiency or unavailability of insurance, there could be a material adverse effect on our business, financial position and results of operations. See the section entitled "Business—Insurance" in this prospectus.

We may be exposed to liabilities from disputes involving products and services marketed on our one-stop service platform

We collaborate with local vendors surrounding the properties we manage to offer their products and services on our one-stop service platform. As a result, we may become, or may be joined as, a defendant in litigation or administrative proceedings brought against such local vendors by purchasers of their products and services, governmental authorities or other third parties. These actions could involve claims alleging, among other things, that:

- the quality of the products sold by local vendors fails to meet the relevant requirements;
- information provided on our one-stop service platform with respect to such local vendors' products or services are false, deceptive, misleading, libelous, injurious to the public welfare or otherwise offensive;
- such local vendors' products or services marketed on our platform are defective or injurious and may be harmful to others; and
- such local vendors' marketing, communications or advertising infringe the proprietary rights of third parties.

In addition, if the products sold on our one-stop service platform are deemed by the PRC government authorities to fail to conform to product quality and personal safety requirements, we could be subject to regulatory action. Violation of product quality and safety requirements by third-party vendors may subject us to confiscation of related earnings, penalties or an order to cease sales of the defective products or to cease operations pending rectification. If the offense is determined to be serious, our business license to sell these products could be suspended and we could be subject to investigation and prosecution under criminal law.

Furthermore, we may be subject to product liabilities. Any product liability claim or governmental regulatory action could be costly and time-consuming. We could be required to pay substantial damages as a result of such claim or action. A material design, manufacturing or quality failure in other parties' products offered on our one-stop service platform, safety issues or heightened regulatory scrutiny could each result in a product recall and increased product liability claims. Furthermore, customers may not use the products offered on our one-stop service platform in accordance with product usage instructions, possibly resulting in customer injury. All of these events could materially harm our brands and reputation and marketability of such products, divert our management's attention and have a material adverse effect on our business, financial position and results of operations.

A significant portion of our operations are concentrated in the Pearl River Delta, and our business could be adversely affected in the event of any adverse development in government policies or business environment in this region

We focus on cities with high population densities in economically developed regions, and a significant portion of our operations are concentrated in Pearl River Delta. As of December 31, 2014, 2015 and 2016 and September 30, 2017, we managed an aggregate GFA of approximately 18.9 million sq.m., 28.5 million sq.m., 35.7 million sq.m. and 36.1 million sq.m., respectively, of properties in the Pearl River Delta, which accounted for approximately 77.3%, 81.3%, 71.3% and 47.4%, respectively, of our total GFA of properties we managed as of such dates, and 69.5%, 64.9%, 66.3% and 62.2% of our total revenue in 2014, 2015, 2016 and the nine months ended September 30, 2017, respectively. Due to such concentration, any adverse development in government policies or business environment in these regions will materially and adversely affect our business, financial position and results of operations.

The expansion of our business may expose us to increased risks of non-compliance with rules and regulations issued by governments at provincial and local levels

As we expand our business operations into new geographic regions and broaden the range of services we perform, we are subject to an increasing number of provincial and local rules and regulations. In addition, because the size and scope of our operations increased significantly during the Track Record Period, the difficulty in ensuring compliance with the various local property management regulations and the potential for loss resulting from non-compliance have increased. If we fail to comply with applicable local regulations, we may be subject to penalties by the competent authorities. During the Track Record Period, some of our PRC subsidiaries were subject to fines due to their delay in tax filings or tax registration, failure to issue, keep or file tax invoices, or failure to withhold and remit individual income tax. In addition, in December 2015, the Price Administration of Panyu Guangzhou confiscated illegal gains from and imposed a fine on one of our Guangzhou branch companies in an aggregate amount of RMB1.1 million, because it failed to register, under the applicable regulations, the property management price it charged with the local government which price was higher than the guidance price set by the local government. See the section entitled "Business—Legal Proceedings and Compliance—Historical non-compliance incidents" in this prospectus. The laws and regulations applicable to our business, whether national, provincial or local, may also change in ways that materially increase the costs of compliance, and any failure to comply could result in significant financial penalties which could have a material adverse effect on our business, financial position and results of operations.

We may be subject to fines for our failure to register for and/or contribute to social insurance fund and housing provident fund on behalf of some of our employees

During the Track Record Period, our Company and some of our PRC subsidiaries did not register for and/or fully contribute to certain social insurance and housing provident funds for their employees. The total amount of such contributions incurred and accrued was approximately RMB8.8 million as of September 30, 2017, and we made provisions in the amounts of RMB1.4 million, RMB2.2 million, RMB3.8 million and RMB1.4 million in 2014, 2015, 2016 and the nine months ended September 30, 2017, respectively.

Our PRC Legal Advisor, King & Wood Mallesons, has advised that the relevant PRC authorities may demand that we pay the outstanding social insurance contributions within a stipulated deadline and we may be liable to a late payment fee equal to 0.05% of the outstanding amount for each day of delay; if we fail to make such payments, we may be liable to a fine of one to three times the amount of the outstanding contributions. Our PRC Legal Advisor has also advised us that, under the relevant PRC laws and regulations, we may be ordered to pay the outstanding housing provident fund contributions within a prescribed time period. For details, please refer to the section entitled "Business—Legal Proceedings and Compliance—Historical non-compliance incidents" in this prospectus.

We may be involved in legal and other disputes and claims from time to time arising out of our operations

We may, from time to time, be involved in disputes with and subject to claims by property developers, property owners and residents as well as local property management companies, to whom we provide property management services. Disputes may also arise if they are dissatisfied with our services. In addition, property owners may take legal action against us if they perceive that our services are inconsistent with our service standards we agreed to. Furthermore, we may from time to time be involved in disputes with and subject to claims by other parties involved in our business, including our third-party sub-contractors, suppliers and employees, or other third parties who sustain injuries or damages while visiting properties under our management. All of these disputes and claims may lead to legal or other proceedings or cause negative publicity against us, thereby resulting in damage to our reputation, substantial costs and diversion of resources and management's attention from our business activities. Any such dispute, claim or proceeding may have a material adverse effect on our business, financial position and results of operations.

Some of our lease agreements have not been filed with the relevant PRC authorities and, as a result, we might be subject to administrative fines

As of September 30, 2017, we had not completed the administrative filings of the lease agreements relating to 145 properties we leased. These properties had an aggregate floor area of approximately 57,653 sq.m. According to applicable PRC administrative regulations, the lessor and the lessee of a lease agreement are required to file the lease agreement with relevant governmental authorities within 30 days after the execution of the lease agreement. If the filing is not made, the governmental authorities may require that the filing be made within a stated period of time, failing which, they may impose a fine ranging from RMB1,000 to RMB10,000 for each agreement that has not been properly filed. It is not clear under PRC law if the fine will be borne by the lessor or lessee. According to applicable PRC administrative regulations, lessors of the related leases need to provide us with certain documents (such as their business licenses or identification information) in order to complete the administrative filing. There can be no assurance that the lessors of our leased properties will be cooperative in the process of completing the filings. If we fail to complete the administrative filings within a period required by the relevant governmental authorities and relevant authorities determine that we shall be liable for failing to complete the administrative filings of all the relevant lease agreements, we might be subject to total fines of up to RMB0.4 million.

We are subject to the regulatory environment and measures affecting the PRC property management industry

Our operations are affected by the regulatory environment and measures affecting the PRC property management industry. In particular, the fees that property management companies may charge in connection with property management services are strictly regulated and supervised by relevant PRC authorities. Please see the section entitled "Regulatory Overview—Legal Supervision over Property Management Services—Charging of Property Management Enterprises" in this prospectus. In December 2014, the National Development and Reform Commission of the PRC issued the Circular of NDRC on the Opinions on Relaxing Price Controls in Certain Services (《國家發展改革委關於放開部分服務價格意見的通知》) (發改價格[2014]2755號), which requires provincial-level price administration authorities to abolish all price control or guidance policies on residential properties other than affordable housing, housing reform properties and properties in old residential areas and preliminary property management agreements. Property management fees for affordable housing, housing-reform properties and properties in old residential areas and management fees under preliminary property management agreements remain subject to price guidance imposed by provincial level price administration departments and the administrative departments of housing and urban-rural development. Although we expect the price controls on residential properties to be relaxed over time pursuant to the Circular, our property management fees will continue to be subject to price controls until local regulations implementing the Circular are passed.

The government-imposed limits on fees, coupled with rising labor and other operating costs, could have a negative impact on our earnings. If a property is managed on a lump sum basis, we may experience a decrease in profit margin. If a property is managed on a commission basis, in the event that the collected fees after deducting the commission are insufficient to cover property management expenses, the property owners are legally responsible for making up for such shortage. In our experience, however, given the stringent governmental regulations on property management fees, together with the difficulties we may face in obtaining the requisite votes at property owners' meetings, it may be impracticable to collect additional property management fees. We may therefore be forced to reduce costs, so as to strike a balance between collected property management fees and expenditures in relation to service provisions, or write off the uncollected payments on behalf of the residents. We cannot assure you that the PRC government regulations on fees and other matters concerning our industry will not continue to have an adverse effect on our business, financial position and results of operations.

We are affected by the PRC government regulations on the PRC real estate industry, which may limit our business growth

We generated most of our revenue from our property management services during the Track Record Period. The performance of our property management services business is primarily dependent on the total GFA and number of residential communities we manage. As such, our growth in the property management services business is, and will likely continue to be, affected by the PRC government regulations of the real estate industry. For further information on laws and regulations that are applicable to our business, please see the section entitled "Regulatory Overview" of this prospectus.

The PRC government has implemented a series of measures with a view to controlling the growth of the economy in recent years. In particular, the PRC government has continued to introduce various restrictive measures to discourage speculation in the real estate market. The government exerts considerable direct and indirect influence on the development of the PRC real estate industry by imposing industry policies and other economic measures, such as control over the supply of land for property development, control of foreign exchange, property financing, taxation and foreign investment. Through these policies and measures, the PRC government may restrict or reduce property development activities, place limitations on the ability of commercial banks to make loans to property purchasers, impose additional taxes and levies on property sales and affect the delivery schedule and occupancy rates of the properties we service. Any such governmental regulations and measures may affect the PRC real estate industry, thus limiting our business growth and resulting in a material adverse effect on our business, financial position and results of operations.

Our business is significantly influenced by various factors affecting our industry and general economic conditions

Our business, financial position and results of operations are and will continue to be dependent on various factors affecting the property management industries and general economic conditions, most of which are beyond our control. For example, limited flexibility in charging property management fees can adversely affect profit margins in the event of rising labor cost. Furthermore, any economic slowdown, recession or other developments in the PRC social, political, economic or legal environment could result in fewer new property development projects, or a decline in the purchasing power of residents living in the communities we manage or provide consultancy services to, resulting in a lower demand for our services and lower revenue and income contribution for us. As such, our business, financial position and results of operations would be materially and adversely affected.

Any inability to comply with our environmental responsibilities may subject us to liability

We are subject to extensive and increasingly stringent environmental protection laws, regulations and decrees that impose fines for violation of such laws, regulations or decrees. In addition, there is a growing awareness of environmental issues, and we may sometimes be expected to meet a standard which is higher than the requirement under the prevailing environmental laws and regulations. In addition, there is no assurance that more stringent environmental protection requirements will not be imposed in the future. If we are unable to comply with existing or future environmental laws and regulations or are unable to meet public expectations in relation to environmental matters, our reputation may be damaged or we may be required to pay penalties or fines or take remedial actions and our operations may be suspended, any of which may materially and adversely impact our business, financial position, results of operations and growth prospects.

RISKS RELATING TO CONDUCTING BUSINESS IN THE PRC

PRC economic, political and social conditions as well as government policies could affect our business

The economy of the PRC differs from the economies of most developed countries in many respects, including but not limited to:

- structure;
- level of government involvement;
- level of development;
- growth rate;
- control of foreign exchange; and
- allocation of resources.

While the PRC economy has grown significantly in the past 30 years, growth has been uneven, both geographically and among the various sectors of the economy. The PRC government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures benefit the overall PRC economy, but may also negatively affect our operations. For example, our financial position and results of operations may be adversely affected by the PRC government's control over capital investment, price controls or any changes in tax regulations or foreign exchange controls that are applicable to us.

The PRC economy has been transitioning from a planned economy to a market oriented economy. For the past three decades, the PRC government has implemented economic reform measures emphasizing the utilization of market forces in the development of the PRC economy. The PRC economy has grown significantly in recent decades, but there can be no assurance that this growth will continue or continue at the same pace. In May 2017, Moody's Investors Service downgraded China's sovereign credit rating for the first time since 1989 and changed its outlook from stable to negative, citing concerns on the country's rising levels of debt and expectations of slower economic growth. The full impact of the Moody's downgrade remains to be seen, but the perceived weaknesses in China's economic development model, if proven and left unchecked, would have profound implications. In addition, demand for our services and our business, financial position and results of operations may be adversely affected by:

- political instability or changes in social conditions in the PRC;
- changes in laws, regulations or policies or the interpretation of laws, regulations or policies;
- measures which may be introduced to control inflation or deflation;
- changes in the rate or method of taxation; and
- imposition of additional restrictions on currency conversion and remittances abroad.

Holders of our H Shares who are foreign individuals are subject to PRC income tax, and there are uncertainties as to the PRC tax obligations of holders of our H Shares who are foreign enterprises

Under applicable PRC tax laws, regulations and rules, non-PRC resident individuals and non-PRC resident enterprises who are holders of our H Shares are subject to different tax obligations.

Under the Individual Income Tax Law of the PRC (中華人民共和國個人所得稅法) and its implementation regulations, non-PRC resident individuals are required to pay PRC individual income tax at a 20% rate for dividends received from us and the gains realized upon the sale or other disposition of the H Shares held by them. We are required to withhold such tax from dividend payments, unless applicable tax treaties between China and the jurisdictions in which the foreign individuals reside, reduce or provide an exemption for the relevant tax obligations. Generally, a tax rate of 10% shall apply to the dividends paid by companies listed in Hong Kong to non-PRC resident individuals, pursuant to Circular of the State Administration of Taxation on Individual Income Tax Collection Issues upon Abolishment of Document Guoshuifa [1993] No. 045 (《國家稅務總局關於國稅發[1993] 045號文件廢止後有關個人所得稅徵管問題的通知》). Where the 10% tax rate is not applicable, the withholding company shall: (i) return the excessive tax amount pursuant to the relevant procedures if the applicable tax rate is below 10%; (ii) withhold such income tax payable by the foreign individual at the applicable tax rate if the applicable tax rate is between 10% and 20%; and (iii) withhold such foreign individual income tax at a rate of 20% if no double tax treaty is applicable.

In addition, although under the Individual Income Tax Law of the PRC and its implementation regulations, non-PRC resident individuals are subject to individual income tax at a rate of 20% on gains realized upon sale or other disposition of H Shares, pursuant to the Circular Declaring That Individual Income Tax Continues to Be Exempted over Income of Individuals from Transfer of Shares (《關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》) issued by the MOF and the SAT, income of individuals derived from the transfer of shares in listed companies continued to be temporarily exempt from individual income tax. There is no assurance that such tax exemption will continue in the future. If such tax is collected in the future, the value of non-PRC resident individuals' investments in our H Shares may be materially and adversely affected.

For non-PRC resident enterprises that do not have establishments or premises in China, or have establishments or premises in China but their income is not related to such establishments or premises, under the EIT Law, dividends paid by us and the gains realized by such non-PRC resident enterprises from the sales or other disposition of H Shares are subject to PRC enterprise income tax at a rate of 20%. In accordance with the EIT Law Implementation Rules and the Notice on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprise to Shareholders Which are Overseas Non-resident Enterprises (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) issued by the SAT, such tax rate has been reduced to 10%, which is subject to a further reduction under an applicable treaty or a special arrangement between China and the jurisdiction of the residence of the relevant non-PRC resident enterprise. On August 21, 2006, China and Hong Kong entered into the Arrangements between Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Incomes (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》), pursuant to which any non-resident enterprise registered in Hong Kong that holds directly at least 25% of the shares of our Company shall pay enterprise income tax for the dividends declared and paid by us at a tax rate of 5% subject to the satisfaction of certain conditions such as approval by the relevant PRC tax authority.

There are significant uncertainties as to the interpretation and enforcement of the relevant PRC tax laws, regulations and rules, including whether the reductions, exemptions and other beneficial tax treatments mentioned above will be revoked in the future such that all non-PRC resident individual holders of our H Shares will be subject to PRC individual income tax at a flat rate of 20%. There are also significant uncertainties as to how the PRC tax authorities interpret the relevant PRC tax laws, regulations and rules, such as the taxation of capital gains by non-PRC resident enterprises, individual income tax on dividends paid to non-PRC resident individual holders of our H Shares and on gains realized on sale or other disposition of our H Shares. PRC's tax laws, rules and regulations may also change. Any ambiguities relating to, or any change to, applicable PRC tax laws, regulations and rules as well as their interpretations and enforcement could materially and adversely affect the value of your investment in our H Shares.

Governmental control of currency conversion may limit our ability to use capital effectively

The PRC government imposes controls on the convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of currency out of China. Please see the section entitled "Regulatory Overview—Foreign Exchange Regulations of the PRC" in this prospectus. We receive substantially all our revenue in Renminbi. Under our current structure, our income is primarily derived from dividend payments from our PRC subsidiaries. The foreign exchange control system may prevent us from obtaining sufficient foreign currency to satisfy our currency demands. Shortages in the availability of foreign currency may restrict our ability to remit sufficient foreign currency to pay dividends or other payments to our shareholders, or otherwise satisfy our foreign currency denominated obligations, if any.

The PRC government may also at its discretion restrict access in the future to foreign currencies for current account transactions. Under existing PRC foreign exchange regulations, payments of certain current account items can be made in foreign currencies without prior approval from the local branch of SAFE by complying with certain procedural requirements. However, approval from appropriate government authorities is required where Renminbi is to be converted into foreign currency and remitted out of China to pay capital expenses such as the repayment of indebtedness denominated in foreign currencies. The restrictions on foreign exchange transactions under capital accounts could also affect our ability to obtain foreign exchange through debt or equity financing, including by means of loans or capital contribution from us.

Our ability to access credit and capital markets may be adversely affected by factors beyond our control

Interest rate increases by the PBOC, or market disruptions such as those experienced in the United States, European Union and other countries or regions, may increase our cost of borrowing or adversely affect our ability to access sources of liquidity upon which we may rely to finance our operations and satisfy our obligations as they become due. We intend to continue to make investments to support our business growth and may require additional funds to respond to business challenges. There can be no assurance that the anticipated cash flow from our operations will be sufficient to meet all of our cash requirements, or that we will be able to secure external financing at competitive rates, or at all. Any such failure may adversely affect our ability to finance our operations, meet our obligations or implement our growth strategy.

Payment of dividends is subject to restrictions under PRC law

Under PRC law, dividends can only be paid out of distributable profit of a PRC company. Distributable profit is our profit as determined under PRC GAAP or HKFRS, whichever is lower, less any recovery of accumulated losses and appropriations to statutory and other statutory funds we are required to make. As a result, we may not have sufficient or any distributable profit that allows us to make dividend distributions to our Shareholders, especially during the periods for which our financial statements indicate that out operations have been unprofitable. Any distributable profit not distributed in a given year is retained and available for distribution in subsequent years.

Fluctuation in the value of the Renminbi may have a material adverse effect on our business

We conduct substantially all our business in Renminbi. However, following the Global Offering, we may also maintain a significant portion of the proceeds from the offering in Hong Kong dollars before they are used in our PRC operations. The value of the Renminbi against the US dollar, Hong Kong dollar and other currencies may be affected by changes in the PRC's policies and international economic and political developments. As a result of these and any future changes in currency policy, the exchange rate may become volatile, the Renminbi may be revalued further against the US dollar or other currencies or the Renminbi may be permitted to enter into a full or limited free float, which may result in an appreciation or depreciation in the value of the Renminbi against the US dollar or other currencies. Fluctuations in exchange rates may adversely affect the value, translated or converted into US dollars or Hong Kong dollars (which are pegged to the US dollar), of our cash flows, revenues, earnings and financial position, and the value of, and any dividends payable to us by our PRC subsidiaries. For example, an appreciation of the Renminbi against the US dollar or the Hong Kong dollar would make any new Renminbi-denominated investments or expenditures more costly to us, to the extent that we need to convert US dollars or Hong Kong dollars into Renminbi for such purposes.

Uncertainty with respect to the PRC legal system could adversely affect us and may limit the legal protection available to you

As we are incorporated, our businesses are conducted, and our assets are located, in the PRC, our operations are governed principally by the PRC laws and regulations. The PRC legal system is based on written statutes, and prior court decisions can only be cited as reference. Since 1979, the PRC government has promulgated laws and regulations in relation to economic matters such as foreign investment, corporate organization and governance, commerce, taxation, finance, foreign exchange and trade, with a view to developing a comprehensive system of commercial law. However, China has not developed a fully integrated legal system and recently enacted laws and regulations may not sufficiently cover all aspects of economic activities in China, or may be unclear or inconsistent. In particular, since the property management service industry is in its early developmental stage in the PRC, the laws and regulations relating to this industry are unspecific and may not be comprehensive. Because of the limited volume of published decisions and their non-binding nature, the interpretation and enforcement of PRC laws and regulations involve uncertainties and can be inconsistent. Even where adequate laws exist in China, the enforcement of existing laws or contracts based on existing laws may be uncertain or sporadic, and it may be difficult to obtain swift and equitable enforcement of a judgment by a PRC court. In addition, the PRC legal system is based in part on government policies and internal rules (some of which are not published on a timely basis or at all) that may have a retroactive effect. As a result, we may not be aware of our violation of these policies and rules until some time after such violation. Finally, any litigation in China may be protracted and result in substantial costs and the diversion of resources and management's attention. The materialization of all or any of these uncertainties could have a material adverse effect on our financial position and results of operations.

It may be difficult to effect service of process on our Directors or executive officers who reside in the PRC or to enforce against us or them in the PRC any judgments obtained from non-PRC courts

A majority of our senior management members reside in the PRC, and substantially all of the assets of those people and of our Group are located in the PRC. Therefore, it may be difficult for investors to effect service of process upon those persons inside the PRC or to enforce against us or them in the PRC any judgments obtained from non-PRC courts. China does not have treaties providing for the reciprocal recognition and enforcement of judgments of courts with the United States, the United Kingdom, Japan and many other developed countries. Therefore, recognition and enforcement in China of judgments of a court in any of these jurisdictions may be difficult or even impossible. On July 14, 2006, the Supreme People's Court of China and the Government of Hong Kong entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters (《關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排》). Under this arrangement, in case any designated People's Court in China or Hong Kong court has made an enforceable final judgment requiring payment of money in a civil and commercial case pursuant to a choice of court agreement, any party concerned may apply to the relevant People's Court of China or Hong Kong court for recognition and enforcement of the judgment. This arrangement became effective on August 1, 2008 and the outcome and effectiveness of any action brought under this arrangement remain uncertain.

Natural disasters, acts of war, occurrence of epidemics, and other disasters could affect our business and the national and regional economies in the PRC

Our business is subject to general economic and social conditions in the PRC. Natural disasters, epidemics such as the human swine flu, also known as Influenza A (H1N1), H5N1 avian flu or severe acute respiratory syndrome ("**SARS**"), and other natural disasters which are beyond our control may adversely affect the economy, infrastructure and livelihood of the people in the PRC. Some regions in the PRC, including certain cities where we operate, are under the threat of flood, earthquake, sandstorm, snowstorm, fire, drought or epidemics. Our business, financial position and results of operations may be materially and adversely affected if natural disasters or other such events occur.

For instance, a serious earthquake and its successive aftershocks hit Sichuan province in May 2008, resulting in tremendous loss of life and injury, as well as destruction of assets in the region. Furthermore, the PRC reported a number of cases of SARS in 2003. Since its outbreak in 2004, there have been reports on occurrences of avian flu in various parts of the PRC, including several confirmed human cases and deaths. Any future outbreak of SARS, avian flu or other similar adverse epidemics may, among other things, significantly disrupt our business. An outbreak of infectious disease may also severely restrict the level of economic activity in affected areas, which in turn may have a material and adverse effect on our business, financial position and results of operations.

In June 2017, a high-rise building in London, the United Kingdom was gutted by a massive fire, and arson was committed in a high-end residential building in Hangzhou, China. Both incidents caused serious casualties and property losses. In both cases, although various factors resulted in or contributed to the disasters, concerns were raised about fire safety in the buildings, including the effectiveness of the alarm systems and sprinklers. Although the responsibilities of the relevant property management companies remain to be seen pending investigation results, serious damage has been caused to such property management companies' reputation. Were similar incidents to occur in the properties we manage, we might suffer reputational harm regardless of our fault or responsibilities in such incidents, which may in turn adversely affect our business and result of operations.

RISKS RELATING TO THE GLOBAL OFFERING AND SPIN-OFF

Purchasers of our H Shares in the Global Offering will experience immediate dilution and may experience further dilution if we issue additional Shares in the future

The Offer Price of our H Shares is higher than the consolidated net tangible assets per Share immediately prior to the Global Offering. Therefore, purchasers of our H Shares in the Global Offering will experience an immediate dilution in unaudited *pro forma* adjusted consolidated net tangible assets of HK$3.71 per H Share, based on the Maximum Offer Price of HK$14.20 per Offer Share.

In order to expand our business, we may consider offering and issuing additional Shares in the future. We may also issue A-Shares in the future. Purchasers of our H Shares may experience dilution in the net tangible assets value per Share of their investments in the H Shares if we issue additional Shares in the future at a price which is lower than the net tangible asset value per Share prior to the issuance of such additional Shares.

There has been no prior public market for our H Shares

Prior to the Global Offering, there was no public market for our H Shares. The initial issue price range for our H Shares was the result of negotiations among us and the Joint Global Coordinators on behalf of the Underwriters, and the Offer Price may differ significantly from the market price for our H Shares following the Global Offering. We have applied for listing of, and permission to deal in, our H Shares on the Stock Exchange. A listing on the Stock Exchange, however, does not guarantee that an active trading market for our H Shares will develop, or if it does develop, will be sustained following the Global Offering or that the market price of our H Shares will not decline following the Global Offering.

The liquidity and market price of our H Shares may be volatile, which may result in substantial losses for investors subscribing for or purchasing our H Shares pursuant to the Global Offering

The price and trading volume of our H Shares may be volatile as a result of the following factors, as well as others, which are discussed in this "Risk Factors" section or elsewhere in this prospectus, some of which are beyond our control:

- actual or anticipated fluctuations in our results of operations (including variations arising from foreign exchange rate fluctuations);
- news regarding recruitment or loss of key personnel by us or our competitors;
- announcements of competitive developments, acquisitions or strategic alliances in our industry;
- changes in earnings estimates or recommendations by financial analysts;

- potential litigation or regulatory investigations;
- changes in general economic conditions or other developments affecting us or our industry; and
- price movements on international stock markets, the operating and stock price performance of other companies, other industries and other events or factors beyond our control.

In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are not related or disproportionate to the operating performance of particular companies. For instance, during the global economic downturn and financial market crisis begun around the middle of 2008, the global stock markets witnessed drastic price drops with heavy unprecedented selling pressure. Many stocks fell significantly from their highs in 2007. Similar stock price movements were observed in the second half of 2011 as certain recent adverse financial developments have affected the global securities and financial markets. These developments include a general global economic downturn, substantial volatility in equity securities markets, and volatility and tightening of liquidity in credit markets. While it is difficult to predict how long these conditions will last, they could continue to present risks for an extended period of time, in interest expenses on our bank borrowings, or reduction of the amount of banking facilities currently available to us. If we experience such fluctuations, results of operations and financial position could be materially and adversely affected. Moreover, market fluctuations may also materially and adversely affect the market price of our H Shares.

Future issues, offers or sales of our Shares may adversely affect the prevailing market price of our H Shares

Future issues of the Shares by our Company or the disposal of the Shares by any of our Shareholders or the perception that such issues or sale may occur, may negatively affect the prevailing market price of the H Shares. Moreover, future sales or perceived sales of a substantial amount of our H Shares or other securities relating to our H Shares in the public market may cause a decrease in the market price of our H Shares, or adversely affect our ability to raise capital in the future at a time and at a price which we deem appropriate. Our Shareholders may experience dilution in their holdings in the event we issue additional securities in future offerings.

Upon the completion of the Global Offering, assuming the Over-allotment Option is not exercised, there will be 900,000,000 unlisted Shares (including Domestic Shares and Unlisted Foreign Shares), representing 67.5% of the total issued share capital of the Company; pursuant to the Global Offering, there will be 333,334,000 issued H Shares, representing 25.0% of the total issued share capital of the Company; there will be 100,000,000 H Shares converted from Unlisted Foreign Shares, representing 7.5% of the total issued share capital of the Company. In addition, our unlisted Shares may be converted into H Shares, and such converted H Shares may be listed or traded on an overseas stock exchange, provided that prior to the conversion and trading of such converted Shares, any requisite internal approval processes shall have been duly completed and the approval from the relevant regulatory authorities, including CSRC, shall have been obtained in accordance with the regulations of the State Council's securities regulatory authorities as well as regulations, requirements and procedures of relevant overseas stock exchanges. No class shareholder vote is required for the conversion of such Shares and the listing and trading of the converted Shares on an overseas stock exchange. Future sales, or perceived sales, of the converted Shares may adversely affect the trading price of H Shares.

The market price of our H Shares when trading begins could be lower than the Offer Price as a result of, among other things, adverse market conditions or other adverse developments that could occur between the time of sale and the time trading begins

The Offer Price will be determined on the Price Determination Date. However, the Offer Shares will not commence trading on the Stock Exchange until they are delivered, which is expected to be on the sixth Business Day after the Price Determination Date. As a result, investors may not be able to sell or otherwise deal in the Offer Shares during that period. Accordingly, holders of the Offer Shares are subject to the risk that the price of the Offer Shares when trading begins could be lower than the Offer Price as a result of adverse market conditions or other adverse developments that may occur between the time of sale and the time trading begins.

Our Controlling Shareholder has substantial control over the Company and its interests may not be aligned with the interests of the other Shareholders

Prior to and immediately following the completion of the Global Offering, our Controlling Shareholder will remain having substantial control over its interests in the issued share capital of our Company. Subject to the Articles of Association and the Companies Ordinance and the Listing Rules, the Controlling Shareholder by virtue of their controlling beneficial ownership of the share capital of the Company, will be able to exercise significant control and exert significant influence over our business or otherwise on matters of significance to us and other Shareholders by voting at the general meeting of the Shareholders and at Board meetings. The interests of the Controlling Shareholder may differ from the interests of other Shareholders and the Shareholders are free to exercise their votes according to their interests. To the extent that the interests of the Controlling Shareholder conflict with the interests of other Shareholders, the interests of other Shareholders can be disadvantaged and harmed.

Certain facts and other statistics with respect to China, the PRC economy, the PRC property management industry and the PRC e-commerce industry in this prospectus are derived from various official government sources and third-party sources which may not be reliable

Certain facts and other statistics in this prospectus relating to China, the PRC economy, the PRC property management industry and the PRC e-commerce industry have been derived from various official government publications, from CIA and publicly available sources. However, we cannot guarantee the quality or reliability of these sources. They have not been prepared or independently verified by us or any of our affiliates or advisors and, therefore, we make no representation as to the accuracy of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the facts and statistics herein may be inaccurate or may not be comparable to facts and statistics produced for other economies. As a result, prospective investors should consider carefully how much weight or importance they should attach to or place on such facts or statistics.

Investors should read the entire prospectus carefully and should not consider any particular statements in published media reports without carefully considering the risks and other information contained in this prospectus

There may be coverage in the media regarding the Global Offering and our operations. There had been, prior to the publication of this prospectus, and there may be, subsequent to the date of this prospectus but prior to the completion of the Global Offering, press and media coverage regarding us and the Global Offering, which contained, among other matters, certain financial information, projections, valuations and other forward-looking information about us and Global Offering. We do not accept any responsibility for the accuracy or completeness of the information and make no representation as to the appropriateness, accuracy, completeness or reliability of any information disseminated in the media. To the extent that any of the information in the media is inconsistent or conflicts with the information contained in this prospectus, we disclaim it. Accordingly, prospective investors should read the entire prospectus carefully and should not rely on any of the information in press articles or other media coverage. Prospective investors should only rely on the information contained in this prospectus and the Application Forms to make investment decisions about us.

Forward-looking information is subject to risks and uncertainties

This prospectus contains forward-looking statements and information relating to us and our operations and prospects that are based on our current beliefs and assumptions as well as information currently available to us. When used in this prospectus, the words “anticipate,” “believe,” “estimate,” “expect,” “plans,” “prospects,” “going forward,” “intend” and similar expressions, as they relate to us or our business, are intended to identify forward-looking statements. Such statements reflect our current views with respect to future events and are subject to risks, uncertainties and various assumptions, including the risk factors described in this prospectus. Should one or more of these risks or uncertainties materialize, or if any of the underlying assumptions prove incorrect, actual results may diverge significantly from the forward-looking statements in this prospectus. Whether actual results will conform with our expectations and predictions is subject to a number of risks and uncertainties, many of which are beyond our control, and reflect future business decisions that are subject to change. In light of these and other uncertainties, the inclusion of forward-looking statements in this prospectus should not be regarded as representations that our plans or objectives will be achieved, and investors should not place undue reliance on such forward-looking statements. All forward-looking statements contained in this prospectus are qualified by reference to the cautionary statements set out in this section. We do not intend to update these forward-looking statements in addition to our on-going disclosure obligations pursuant to the Listing Rules or other requirements of the Stock Exchange.

We may not declare dividends on our H Shares in the future

In the nine months ended September 30, 2017, we paid a dividend in an aggregate amount of RMB298.0 million. On January 15, 2018, we declared a dividend in an amount of RMB50.0 million, which will be deposited into an escrow account maintained with a commercial bank in the PRC prior to the Listing Date and is expected to be paid to our pre-listing Shareholders (including foreign Shareholders) before March 31, 2018 upon due completion of the relevant procedures with SAFE and the relevant tax authority in the PRC. We aim to pay a dividend equivalent to 25% of the profit after tax upon Listing each year. The payment and amount of dividends (if any) will depend upon our results of operations, cash flows, financial position, statutory and regulatory restrictions on the dividends paid by us, future prospects and any other conditions that our Directors may deem relevant and will be subject to the approval of our Shareholders. We cannot guarantee that dividends of any amount will be declared or distributed in any year. See the section entitled “Financial Information—Dividend Policy and Distributable Reserves” in this prospectus.

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This prospectus for which our Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Securities and Futures (Stock Market Listing) Rules and the Listing Rules for the purposes of giving information to the public with regard to us. Our Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information in this prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or in this prospectus misleading.

CSRC APPROVAL

The CSRC has given us its approval for the listing of our H Shares on the Stock Exchange and the Global Offering on December 21, 2017. In granting this approval, the CSRC does not accept responsibility for the financial soundness of our Company, or for the accuracy of any of the statements made or opinions expressed in this prospectus and the Application Forms.

As advised by our PRC Legal Advisor, our Company has obtained all necessary approvals and authorizations in the PRC in relation to the Global Offering and the Listing.

HONG KONG PUBLIC OFFERING, UNDERWRITING AND INFORMATION ON THE GLOBAL OFFERING

The Global Offering comprises the Hong Kong Public Offering of initially 33,334,000 Offer Shares (subject to reallocation), and the International Offering of initially 300,000,000 Offer Shares (subject to reallocation and the Over-allotment Option and including the Preferential Offering). For applicants under the Hong Kong Public Offering and/or the Preferential Offering, this prospectus and the Application Forms set out the terms and conditions of the Hong Kong Public Offering and the Preferential Offering.

The listing of our H Shares on the Stock Exchange is sponsored by the Joint Sponsors. Pursuant to the Hong Kong Underwriting Agreement, the Hong Kong Public Offering is underwritten by the Hong Kong Underwriters on a conditional basis, with one of the conditions being that the Offer Price is agreed between the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and us. The International Offering is managed by the Joint Global Coordinators and is expected to be underwritten by the International Underwriters. The International Underwriting Agreement is expected to be entered into on or about February 3, 2018, subject to agreement on the Offer Price between the Company and the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters).

If, for any reason, the Offer Price is not agreed between the Company and the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) on or before February 8, 2018, the Global Offering will not proceed. Further details of the Underwriters and the underwriting arrangements are set out in the section entitled "Underwriting."

The Hong Kong Offer Shares and the Reserved Shares are offered solely on the basis of the information contained and representations made in this prospectus and the Application Forms and on the terms and subject to the conditions set out herein and therein. No person is authorized to give any information in connection with the Global Offering or to make any representation not contained in this prospectus, and any information or representation not contained herein must not be relied upon as having been authorized by our Company or any of the Relevant Persons.

Neither the delivery of this prospectus nor any subscription or acquisition made under it shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this prospectus or that the information in this prospectus is correct as of any subsequent time. Details of the structure of the Global Offering, including its conditions, are set out in the section entitled "Structure of the Global Offering," and the procedures for applying for the Hong Kong Offer Shares and the Reserved Shares are set out in the section entitled "How to Apply for Hong Kong Offer Shares and Reserved Shares" and in the relevant Application Forms.

RESTRICTIONS ON OFFER AND SALE OF H SHARES

Each person acquiring the H Shares will be required to confirm, or by his acquisition of H Shares be deemed to confirm, that he is aware of the restrictions on offers and sales of the H Shares described in this prospectus.

No action has been taken to permit a public offering of the H Shares in any jurisdiction other than Hong Kong or the distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, this prospectus and/or the Application Forms may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this prospectus and/or the Application Forms and the offering and sales of the H Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom. In particular, the H Shares have not been publicly offered or sold, directly or indirectly, in the PRC or the U.S.

DETERMINATION OF THE OFFER PRICE

The H Shares are being offered at the Offer Price which will be determined by the Joint Global Coordinators (on behalf of the Hong Kong Underwriters) and our Company on or around February 3, 2018, and in any event no later than February 8, 2018. If the Joint Global Coordinators (on behalf of the Hong Kong Underwriters) and our Company are unable to reach an agreement on the Offer Price on such date, the Global Offering will not proceed.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, (i) our H Shares to be issued pursuant to the Global Offering (including the additional H Shares which may be issued pursuant to the exercise of the Over-allotment Option); and (ii) any H Shares to be converted from Unlisted Foreign Shares held by Greenland Overseas. Our Domestic Shares and Unlisted Foreign Shares may be converted to H Shares after obtaining the approval of the CSRC or the authorized approval authorities of the State Council, details of which are set out in the section entitled "Share Capital—Conversion of our Unlisted Shares into H Shares" in this prospectus.

Dealings in the H Shares on the Stock Exchange are expected to commence at 9:00 a.m. on February 9, 2018. Save as disclosed in this prospectus, none of our share or loan capital are listed or dealt in on any other stock exchange and no such listing or permission to list is being or is proposed to be sought in the near future.

H SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of listing of, and permission to deal in, our H Shares on the Stock Exchange and the compliance with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or on any other date HKSCC chooses. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second Business Day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements have been made for the H Shares to be admitted into CCASS. Investors should seek the advice of their stockbrokers or other professional advisors for details of the settlement arrangements that may affect their rights and interests.

PROFESSIONAL TAX ADVICE RECOMMENDED

Potential investors in the Global Offering are recommended to consult their professional advisors if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of, and/or dealing in the H Shares (or exercising rights attached thereto). Neither our Company nor any of the Relevant Persons accepts responsibility for any tax effects on, or liabilities of, any person resulting from the subscription, purchase, holding or disposal of, dealing in, or the exercise of any rights in relation to, the H Shares.

H SHARE REGISTER AND STAMP DUTY

All of the H Shares issued pursuant to applications made in the Hong Kong Public Offering and the International Offering will be registered on our H Share register of members to be maintained in Hong Kong. Our principal register of members will be maintained by us at our head office in the PRC.

Dealings in the H Shares registered in the H Share register of members of our Company in Hong Kong will be subject to Hong Kong stamp duty.

OVER-ALLOTMENT AND STABILIZATION

Details with respect to the Over-allotment Option and stabilization are set out in the sections entitled “Structure of the Global Offering—Stabilization” and “Structure of the Global Offering—The International Offering—Over-allotment Option” in this prospectus.

PROCEDURES FOR APPLICATION FOR HONG KONG OFFER SHARES AND RESERVED SHARES

The application procedures for the Hong Kong Offer Shares and the Reserved Shares are set out in the section entitled “How to apply for Hong Kong Offer Shares and Reserved Shares” in this prospectus and on the relevant Application Forms.

DIVIDENDS PAYABLE TO HOLDERS OF H SHARES

Unless determined otherwise by our Company, dividends payable in Hong Kong dollars in respect of H Shares will be paid to the Shareholders as recorded in our H Share register, and sent by ordinary post, at the Shareholders' own risk, to the registered address of each Shareholder.

REGISTRATION OF SUBSCRIPTION, PURCHASE AND TRANSFER OF H SHARES

We have instructed our H Share Registrar, and our H Share Registrar has agreed, not to register the subscription, purchase or transfer of any H Shares in the name of any particular holder unless and until such holder delivers a signed form to our H Share Registrar in respect of those H Shares bearing statements to the effect that the holder:

- agrees with us and each of our Shareholders, and we agree with each Shareholder, to observe and comply with the PRC Company Law, the Companies Ordinance, the Special Regulations and our Articles of Association;

- agrees with us, each of our Shareholders, Directors, Supervisors, managers and officers, and we, acting for ourselves and for each of our Directors, Supervisors, managers and officers agree with each of our Shareholders, to refer all differences and claims arising from our Articles of Association or any rights or obligations conferred or imposed by the PRC Company Law or other relevant laws and administrative regulations concerning our affairs to arbitration in accordance with our Articles of Association, and any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct hearings in open session and to publish its award, which shall be final and conclusive. For further details, please refer to the sections entitled "Appendix V—Summary of Principal PRC and Hong Kong Legal and Regulatory Provisions" and "Appendix VI—Summary of The Articles of Association" in this prospectus;

- agrees with us and each of our Shareholders that the H Shares are freely transferable by the holders thereof; and

- authorizes us to enter into a contract on his behalf with each of our Directors, Supervisors, managers and officers whereby such Directors, Supervisors, managers and officers undertake to observe and comply with their obligations to our Shareholders as stipulated in our Articles of Association.

STRUCTURE OF THE GLOBAL OFFERING

Details of the structure of the Global Offering, including its conditions, are set out in the section entitled "Structure of the Global Offering" in this prospectus.

ROUNDING

Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding.

EXCHANGE RATE CONVERSION

Unless otherwise specified, this prospectus contains certain translations for the convenience of the reader at the following rates: Renminbi into HK dollars at the rate of HK$1.00 to

RMB0.82067 and HK dollars into US dollars at the rate of US$1.00 to HK$7.8228. The Renminbi to HK dollars exchange rate is quoted by the PBOC for foreign exchange transactions prevailing on January 19, 2018. The US dollars to HK dollars exchange rate is set forth in the H10 weekly statistical release of the Federal Reserve Board of the United States on January 12, 2018. These translations are provided for reference and convenience only, and no representation is made, and no representation should be construed as being made, that any amounts in Renminbi, HK dollars or US dollars can be or could have been at the relevant dates converted at the above rates or any other rates or at all.

TRANSLATION

If there is any inconsistency between this prospectus and the Chinese translation of this prospectus, this prospectus shall prevail. Translated English names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities included in this prospectus for which no official English translation exists are unofficial translation and for reference only.

DIRECTORS

Name	Address	Nationality
Executive Directors		
Huang Fengchao (黃奉潮)	Room 501 No.5 Kaixuan Road Guangzhou Guangdong province, PRC	Chinese
Liu Deming (劉德明)	Room 3003 No.221 Xingmin Road Tianhe District, Guangzhou Guangdong province, PRC	Chinese
Feng Xin (馮欣)	Room 602 Compound 93, Block 37 No.7 Yuancun Yiheng Road Tianhe District, Guangzhou Guangdong province, PRC	Chinese
Wang Wei (王煒)	Room 604, 6F No.35, Lane 1203 Yuyuan Road Shanghai, PRC	Chinese
Non-executive Directors		
Chan Cheuk Hung (陳卓雄)	Flat D, 27/F No.1 Ho Man Tin Hill 1 Ho Man Tin Hill Road Ho Man Tin Kowloon, Hong Kong	Chinese
Wei Xianzhong (魏憲忠)	Room 2102 No.2, Lane 500 Tianyueqiao Road Shanghai, PRC	Chinese
Independent Non-executive Directors		
Wan Kam To (尹錦滔)	Flat A, 23/F, The Colonnade 152 Tai Hang Road Causeway Bay Hong Kong	Chinese
Wan Sai Cheong, Joseph (溫世昌)	Flat 61, 20/F Tower 10 Hong Kong Parkview 88 Tai Tam Reservoir Road Hong Kong	Chinese
Wang Peng (王鵬)	Room 603, Unit 1 Dinganli No. 35 Building Dongcheng District Beijing, PRC	Chinese

SUPERVISORS

Name	Address	Nationality
Chen Liru (陳麗茹)	No.104 Nankeng Dui Nanlong Village Sanxiang Town Zhongshan Guangdong province, PRC	Chinese
Huang Zhixia (黃智霞)	Room 1807, Block 23 20 Jinbi Sixth Street Jinbi Garden Gongye Avenue South Haizhu District, Guangzhou Guangdong province, PRC	Chinese
Shi Zhengyu (施征宇)	Room 2201, No. 9, Lane 1515, Zhangyang Road Pudong District Shanghai, PRC	Chinese
Li Jianhui (李健輝)	Room 2204 Building A9 Zhonghai Jinghui Huating 31-2 Liede Road, Guangzhou Guangdong province, PRC	Chinese
Wang Shao (王韶)	Room 1103 No.609 Tianhe North Road Tianhe District, Guangzhou Guangdong province, PRC	Chinese

For further information regarding our Directors and Supervisors, please refer to the section entitled "Directors, Supervisors and Senior Management" of this prospectus.

OTHER PARTIES INVOLVED IN THE GLOBAL OFFERING

Joint Sponsors	**HSBC Corporate Finance (Hong Kong) Limited** 1 Queen's Road Central Hong Kong **Huatai Financial Holdings (Hong Kong) Limited** Unit 5808-12, The Center 99 Queen's Road Central Hong Kong

Joint Global Coordinators	**The Hongkong and Shanghai Banking Corporation Limited** 1 Queen's Road Central Hong Kong
	Huatai Financial Holdings (Hong Kong) Limited Unit 5808-12, The Center 99 Queen's Road Central Hong Kong
	Morgan Stanley Asia Limited 46/F, International Commerce Centre 1 Austin Road West Kowloon Hong Kong
Joint Bookrunners	**The Hongkong and Shanghai Banking Corporation Limited** 1 Queen's Road Central Hong Kong
	Huatai Financial Holdings (Hong Kong) Limited Room 5808-12, The Center 99 Queen's Road Central Central Hong Kong
	Morgan Stanley Asia Limited 46/F, International Commerce Centre 1 Austin Road West Kowloon Hong Kong
	BNP Paribas Securities (Asia) Limited 59/F-63/F, Two International Finance Center 8 Finance Street Central Hong Kong
	ABCI Capital Limited 10/F, Agricultural Bank of China Tower 50 Connaught Road Central Hong Kong
	CCB International Capital Limited 12/F., CCB Tower, 3 Connaught Road Central Central Hong Kong

	ICBC International Capital Limited 37/F, ICBC Tower 3 Garden Road Hong Kong
	China Securities (International) Corporate Finance Company Limited 18/F, Two Exchange Square 8 Connaught Place Central Hong Kong
Joint Lead Managers	**The Hongkong and Shanghai Banking Corporation Limited** 1 Queen's Road Central Hong Kong
	Huatai Financial Holdings (Hong Kong) Limited Room 5808-12, The Center 99 Queen's Road Central Central Hong Kong
	Morgan Stanley Asia Limited 46/F, International Commerce Centre 1 Austin Road West Kowloon Hong Kong
	BNP Paribas Securities (Asia) Limited 59/F-63/F, Two International Finance Center 8 Finance Street Central Hong Kong
	ABCI Securities Company Limited 10/F, Agricultural Bank of China Tower 50 Connaught Road Central Hong Kong
	CCB International Capital Limited 12/F., CCB Tower, 3 Connaught Road Central Central Hong Kong

	ICBC International Securities Limited 37/F, ICBC Tower 3 Garden Road Hong Kong
	China Securities (International) Corporate Finance Company Limited 18/F, Two Exchange Square 8 Connaught Place Central Hong Kong
Legal Advisors to the Company	*as to Hong Kong and U.S. laws:* **Sidley Austin** 39th Floor, Two International Finance Centre 8 Finance Street Central Hong Kong
	as to PRC laws: **King & Wood Mallesons** 20th Floor, East Tower, World Financial Center 1 Dongsanhuan Zhonglu Chaoyang District Beijing, PRC
Legal Advisors to the Underwriters	*as to Hong Kong and U.S. laws:* **Freshfields Bruckhaus Deringer** 55th Floor, One Island East, Taikoo Place Quarry Bay Hong Kong
	as to PRC law: **Grandall Law Firm Shanghai Office** 23-25/F, Garden Square 968 West Beijing Road Shanghai PRC
Independent Industry Consultant	**China Index Academy** Block A No. 20 Guogongzhuang Middle Street Fengtai District Beijing PRC

	Shanghai iResearch Co., Ltd., China Room 707, Center Plaza North Tower 159 West Linhe Road Guangzhou, Guangdong province PRC
Auditor and Reporting Accountant	**PricewaterhouseCoopers** *Certified Public Accountants* 22/F, Prince's Building Central Hong Kong
Compliance Advisor	**Ballas Capital Limited** Unit 1802, 18/F, 1 Duddell Street, Central, Hong Kong
Receiving Bank	**Standard Chartered Bank (Hong Kong) Limited** 15/F Standard Chartered Tower 388 Kwun Tong Road Hong Kong

Headquarters in the PRC	35/F, Agile Center 26 Huaxia Road Zhujiang New Town Tianhe District, Guangzhou Guangdong province, PRC
Registered Office in the PRC	Management Building, Xingye Road Agile Garden, Sanxiang Town Zhongshan Guangdong province, PRC
Principal Place of Business in Hong Kong	Level 54, Hopewell Centre 183 Queen's Road East Hong Kong
Company's Website	www.agileliving.com.cn *(Information contained in this website does not form part of this prospectus)*
Company Secretary	Mr. Li Dalong (李大龍) Level 54, Hopewell Centre 183 Queen's Road East Hong Kong Ms. Choy Yee Man (蔡綺文) *(HKICS, ICSA)* Level 54, Hopewell Centre 183 Queen's Road East Hong Kong
Authorized Representatives	Mr. Liu Deming (劉德明) Room 3003 No.221 Xingmin Road Tianhe District, Guangzhou Guangdong province, PRC Mr. Li Dalong (李大龍) Level 54, Hopewell Centre 183 Queen's Road East Hong Kong
Audit Committee	Mr. Wan Kam To (尹錦滔) *(Chairman)* Mr. Wan Sai Cheong, Joseph (溫世昌) Mr. Wang Peng (王鵬)
Remuneration and Appraisal Committee	Mr. Wang Peng (王鵬) *(Chairman)* Mr. Huang Fengchao (黃奉潮) Mr. Wan Kam To (尹錦滔) Mr. Wan Sai Cheong, Joseph (溫世昌)

CORPORATE INFORMATION

Nomination Committee	Mr. Wan Sai Cheong, Joseph (溫世昌) *(Chairman)* Mr. Huang Fengchao (黃奉潮) Mr. Liu Deming (劉德明) Mr. Wan Kam To (尹錦滔) Mr. Wang Peng (王鵬)
Risk Management Committee	Mr. Huang Fengchao (黃奉潮) *(Chairman)* Mr. Chan Cheuk Hung (陳卓雄) Mr. Liu Deming (劉德明) Mr. Wan Kam To (尹錦滔)
H Share Registrar	Tricor Investor Services Limited Level 22, Hopewell Centre 183 Queen's Road East Hong Kong
Principal Bankers	Bank of China Guangzhou Haizhu Branch Level 2-4, Development Centre Building No.4 Linjiang Road Guangzhou Guangdong province, PRC
	Industrial and Commercial Bank of China Zhongshan Sanxiang Wenchang Branch No.200 Wenchang West Road, Sanxiang Town, Zhongshan Guangdong province, PRC
	Industrial and Commercial Bank of China Lingshui Branch Jianshe Road Lingcheng Village, Lizu Zizhi Town Lingshui Hainan province, PRC
	Agricultural Bank of China Sanxiang Branch No.14 Jianshe Road Sanxiang Town, Zhongshan Guangdong province, PRC

In preparation for the Global Offering, we have sought the following waivers and exemption from strict compliance with the relevant provisions of the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance:

MANAGEMENT PRESENCE IN HONG KONG

According to Rule 8.12 and Rule 19A.15 of the Listing Rules, an issuer must have a sufficient management presence in Hong Kong and in normal circumstances, at least two of the issuer's executive directors must be ordinarily resident in Hong Kong. Currently, all of our executive Directors reside in the PRC.

Our core business and operations are substantially based and conducted in the PRC. It would be practically difficult and commercially unnecessary for us to relocate two of our executive Directors to Hong Kong. We have applied to the Stock Exchange for and the Stock Exchange has granted a waiver from compliance with Rule 8.12 and Rule 19A.15 of the Listing Rules. The following measures have been adopted by us:

(1) we have appointed two authorized representatives pursuant to Rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange and ensure that they comply with the Listing Rules at all times. The two authorized representatives appointed are Mr. Liu Deming (an executive Director and chief executive officer of our Company) and Mr. Li Dalong (chief financial officer and joint company secretary of our Company). Mr. Li Dalong is an ordinary resident in Hong Kong. Each of the authorized representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable time frame upon the request of the Stock Exchange and will be readily contactable by telephone, facsimile and email. Each of the two authorized representatives is authorized to communicate on our behalf with the Stock Exchange;

(2) all our authorized representatives have means to contact all of our Directors (including the independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact the Directors for any matters. Our Directors who are not ordinarily resident in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and will be able to meet with the Stock Exchange within a reasonable period of time, when required. To enhance communication between the Stock Exchange, the authorized representatives and our Directors, we will implement a policy that (a) each Director will have to provide his/her mobile phone number, office phone number, fax number and email address to the authorized representatives; (b) in the event that a Director expects to travel, he/she will endeavor to provide the phone number of the place of his/her accommodation to the authorized representatives or maintain an open line of communication via his/her mobile phone; and (c) all our Directors and authorized representatives will provide their respective mobile phone numbers, office phone numbers, fax numbers and email addresses to the Stock Exchange;

(3) we have appointed Ballas Capital Limited as our compliance advisor, pursuant to Rule 3A.19 of the Listing Rules, which has access at all times to our authorized representatives, Directors, senior management and other officers of our Company, and will act as an additional channel of communication between the Stock Exchange and us; and

(4) meetings between the Stock Exchange and our Directors could be arranged through our authorized representatives or the compliance advisor, or directly with our Directors within a reasonable time frame. We will inform the Stock Exchange as soon as practicable in respect of any change in our authorized representatives and/or the compliance advisor.

JOINT COMPANY SECRETARIES

According to Rules 3.28 and 8.17 of the Listing Rules, the secretary of our Company must be a person who has the requisite knowledge and experience to discharge the functions of the company secretary and is either (i) a member of the Hong Kong Institute of Chartered Secretaries, a solicitor or barrister as defined in the Legal Practitioners Ordinance or a certified public accountant as defined in the Professional Accountants Ordinance, or (ii) an individual who, by virtue of his academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

We have appointed Mr. Li Dalong and Ms. Choy Yee Man as our joint company secretaries. Since Mr. Li Dalong does not possess a qualification stipulated in Rules 3.28 of the Listing Rules, he is not able to solely fulfill the requirements as a company secretary of a listed issuer stipulated under Rules 3.28 and 8.17 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules in relation to the appointment of Mr. Li Dalong as our joint company secretary. In order to provide support to Mr. Li Dalong, we have appointed Ms. Choy Yee Man as a joint company secretary to provide assistance to Mr. Li Dalong, for a three-year period from the Listing Date so as to enable him to acquire the relevant experience (as required under Rule 3.28(2) of the Listing Rules) to duly discharge his duties.

Such waiver will be revoked immediately if and when Ms. Choy Yee Man ceases to provide such assistance. We will liaise with the Stock Exchange before the end of the three-year period to enable it to assess whether Mr. Li Dalong, having had the benefit of Ms. Choy Yee Man's assistance for three years, will have acquired relevant experience within the meaning of Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

CONTINUING CONNECTED TRANSACTIONS

We have entered into certain transactions which will constitute continuing connected transactions for the Company under the Listing Rules after Listing. We have applied for, and the Stock Exchange has granted us, waivers from strict compliance with (i) the announcement requirements under Chapter 14A of the Listing Rules in respect of the continuing connected transaction as disclosed in "Connected Transactions—(B) Continuing Connected Transaction subject to the reporting, annual review, announcement requirements but exempt from the independent Shareholders' approval requirement"; and (ii) the announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the continuing connected transactions as disclosed in "Connected Transactions—(C) Continuing Connected Transactions subject to the reporting, annual review, announcement, and independent Shareholders' approval requirements." Please see the section entitled "Connected Transactions" of this prospectus for further information.

WAIVER IN RELATION TO RULE 4.04(1) OF THE LISTING RULES AND EXEMPTION FROM COMPLIANCE WITH PARAGRAPH 27 OF PART I AND PARAGRAPH 31 OF PART II OF THE THIRD SCHEDULE TO THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

According to Rule 4.04(1) of the Listing Rules, the Accountants' Report contained in this prospectus must include, inter alia, the results of our Company in respect of each of the three financial years immediately preceding the issue of this prospectus or such shorter period as may be acceptable to the Hong Kong Stock Exchange.

Section 342(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires all prospectuses to include an accountants' report which contains the matters specified in the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

According to paragraph 27 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, our Company is required to include in this prospectus a statement as to the gross trading income or sales turnover (as the case may be) of our Company during each of the three financial years immediately preceding the issue of this prospectus as well as an explanation of the method used for the computation of such income or turnover and a reasonable breakdown of the more important trading activities.

According to paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, our Company is required to include in this prospectus a report by our auditor with respect to profits and losses and assets and liabilities of our Company in respect of each of the three financial years immediately preceding the issue of this prospectus.

According to section 342A(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the SFC may issue, subject to such conditions (if any) as the SFC thinks fit, a certificate of exemption from compliance with the relevant requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance if, having regard to the circumstances, the SFC considers that the exemption will not prejudice the interests of the investing public and compliance with any or all of such requirements would be irrelevant or unduly burdensome, or is otherwise unnecessary or inappropriate.

The Accountants' Report for each of the three years ended December 31, 2014, 2015 and 2016 and the nine months ended September 30, 2017 has been prepared and is set out in Appendix I to this prospectus.

Pursuant to the relevant requirements set forth above, our Company is required to produce three full years of audited accounts for the years ended December 31, 2015, 2016 and 2017. However, an application was made to the Hong Kong Stock Exchange for a waiver from strict compliance with Rule 4.04(1) of the Listing Rules, and such waiver was granted by the Hong Kong Stock Exchange on the conditions that:

(a) this prospectus be issued on or before January 29, 2018 and our Company be listed on the Hong Kong Stock Exchange on or before March 31, 2018;

(b) this prospectus contains profit estimate for the year ended December 31, 2017 (in compliance with Rules 11.17 to 11.19 of the Listing Rules) and our Directors' statement that after performing all due diligence work which they consider appropriate, there is no material and adverse change to our financial and trading positions or prospects, with specific reference to our trading results from October 1, 2017 to December 31, 2017; and

(c) our Company obtains a certificate of exemption from the SFC on strict compliance with paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

An application has also been made to the SFC for a certificate of exemption from strict compliance with the requirements under paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance and a certificate of exemption has been granted by the SFC under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the conditions that (i) the particulars of the exemption be set forth in this prospectus; (ii) this prospectus be issued on or before January 29, 2018; and (iii) the Company be listed on the Stock Exchange on or before March 31, 2018.

The applications to Hong Kong Stock Exchange for a waiver from strict compliance with Rule 4.04(1) of the Listing Rules and to the SFC for a certificate of exemption from strict compliance with the requirements under paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance were made on the grounds, among others, that strict compliance with the above requirements would be unduly burdensome and the exemption would not prejudice the interests of the investing public as:

(a) there would not be sufficient time for our Company and the Reporting Accountants to finalize the audited financial statements for the year ended December 31, 2017 for inclusion in this prospectus. If the financial information for the year ended December 31, 2017 is required to be audited, our Company and the Reporting Accountants would have to carry out substantial work to prepare, update and finalize the Accountants' Report and this prospectus, and the relevant sections of this prospectus will need to be updated to cover such additional period;

(b) our Directors and the Joint Sponsors herein confirm that after performing all due diligence work which they consider appropriate, up to the date of the prospectus, there has been no material adverse change to our financial and trading positions or prospects since October 1, 2017 (immediately following the date of the latest audited statement of financial position in the Accountants' Report set out in Appendix I to this prospectus) to the date of the prospectus and there has been no event which would materially affect the information shown in the Accountants' Report as set out in Appendix I to this prospectus, the profit estimate for the year ended December 31, 2017 and the section headed "Financial Information" in this prospectus and other parts of this prospectus; and

(c) our Company is of the view that the Accountants' Report covering the three years ended December 31, 2014, 2015 and 2016 and the nine months ended September 30, 2017, together with the unaudited supplementary financial information and the profit estimate for the year ended December 31, 2017 (in compliance with Rules 11.17 to 11.19 of the Listing Rules) included in this prospectus have already provided the potential investors with adequate and reasonably up-to-date information in the circumstances to form a view on the track record and earnings trend of our Company; and our Directors and the Joint Sponsors confirm that all information which is necessary for the investing public to make an informed assessment of our business, assets and liabilities, financial position, trading position, management and prospects has been included in this prospectus. Further, our Company will comply with Rules 13.46(2) and 13.49(1) of the Listing Rules in respect of the publication of annual results and annual report for the year ending December 31, 2017. Therefore, the waiver and exemption would not prejudice the interests of the investing public.

Unless otherwise indicated, the information contained in this section is derived from various governmental and official publications, other publications and the market research reports prepared by CIA and iResearch, which were commissioned by us.

We believe that the sources of information are appropriate and we have taken reasonable and cautious care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading in any material respect or that any fact has been omitted that would render such information false or misleading in any material respect. We, the Joint Sponsors, Joint Global Coordinators, Joint Bookrunners or any of our or their respective directors, senior management, representatives and any other persons (other than CIA and iResearch) involved in the Global Offering have not independently verified such information and have made no representation as to accuracy and completeness thereof. The relevant information and statistics may not be consistent with such other information and statistics compiled within or outside the PRC. As a result, you are advised not to place undue reliance on such information.

CIA, iRESEARCH AND THEIR RESPECTIVE METHODOLOGIES

We purchased the right to use and quote various data from publications by CIA at a total cost of approximately RMB800,000. Established in 1994, CIA is a property research organization in the PRC with over 500 analysts. It covers more than 600 cities across the five regions of Northern China, Eastern China, Southern China, Central China and Southwestern China with 16 branches. CIA has extensive experience in researching and tracking the property management industry in the PRC, and has conducted research on the Top 100 Property Management Companies since 2008. In its research, CIA considers primarily property management companies that have managed at least 10 properties or an aggregate GFA of 500,000 sq.m. or above for the previous three years. CIA uses research parameters and assumptions and gathers data from a multitude of primary and secondary sources, including data from property management companies (including data from reported statistics, websites and marketing materials), surveys it has conducted, data gathered from the China Real Estate Index System, the China Real Estate Statistics Yearbooks, public data from governmental authorities and data gathered for prior reports it has published. CIA derives its rankings of overall strength of property management companies primarily by evaluating each property management company's management scale, operational performance, service quality, growth potential and social responsibility. CIA assesses the growth potential of a property management company primarily in terms of revenue growth rate, growth rate of total GFA under management, growth rate of total contracted GFA, total number of employees and composition of employees. In this section, the data analysis is primarily based on the top 100 property management companies.

We also purchased the right to use and quote various data from publications by iResearch at a total cost of approximately RMB330,000. Established in 2002 and with more than 400 experts, iResearch is an organization focusing on in-depth research on China's Internet industry, including e-commerce. Since its establishment, iResearch has accumulated extensive experience in researching and monitoring the development of the Internet industry in the PRC. Data related to the market size and forecast of community O2O is mainly obtained through interviews related to the industry, marketing surveys, secondary sources and other research methods, some of which have not been directly confirmed by the related operators. Some data published in this report is based on sampling method through iClick, the online survey community of iResearch and is therefore influenced by sample structure. Due to the limitation of research methods used, sample size and scope of data collection, part of the data may not precisely reflect the actual market situation.

THE PROPERTY MANAGEMENT INDUSTRY IN THE PRC

Overview

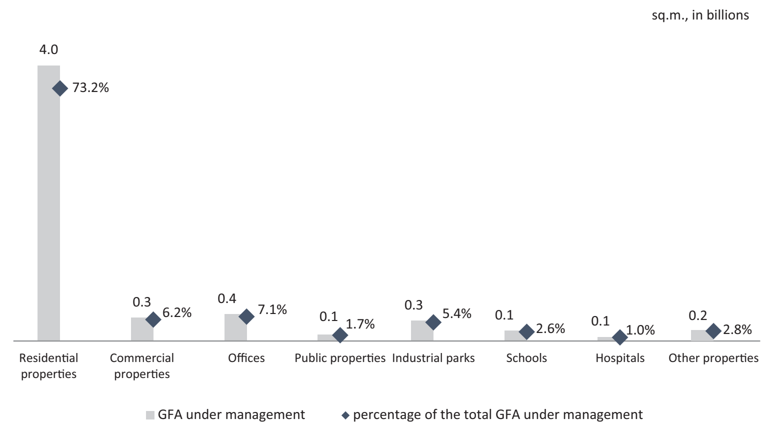
The history of the PRC property management industry can be traced back to the early 1980s. Since then, the PRC property management industry has experienced rapid growth. In June 2003, the Provisions on Property Management (《物業管理條例》) were promulgated, providing a regulatory framework for the property management industry. As more regulations were promulgated, an open and fair market system for the industry was established, which further spurred significant growth of the PRC property management industry. The PRC property management industry now services a wide range of properties, including residential communities, office buildings, shopping centers, industrial facilities, schools and hospitals.

In the PRC, property management fees may be charged either on a lump sum basis or commission basis. The “lump sum” model for property management fees is the dominant model in the property management industry in China, especially for residential properties. The lump sum model can bring efficiency by dispensing with certain collective decision making procedures for large expenditures by property owners and residents and incentivize property management service providers to optimize their operations to enhance profitability. In contrast, the commission model is increasingly adopted in non-residential properties to make property owners more deeply involved in the management of their properties and property management service providers more closely supervised.

In recent years, following rapid urbanization and the continuous growth in per capita disposable income, the GFA and number of properties managed by the Top 100 Property Management Companies have increased rapidly. The average total GFA of properties managed by the Top 100 Property Management Companies increased to approximately 27.3 million sq.m. as of December 31, 2016 from 13.5 million sq.m. as of December 31, 2012, representing a CAGR of 19.1%, according to CIA. The average number of properties managed by the Top 100 Property Management Companies increased to 166 as of December 31, 2016 from 79.3 as of December 31, 2012, representing a CAGR of 20.3%, according to CIA. As a result of the growth in the GFA and number of properties under management, the average revenue of the Top 100 Property Management Companies increased to approximately RMB 627.8 million in 2016 from approximately RMB257.3 million in 2012, representing a CAGR of 25.0%.

According to CIA, the geographical coverage of the Top 100 Property Management Companies has also been expanding in the recent years. As of December 31, 2016, the average number of cities in which the Top 100 Property Management Companies had operations increased to 28, representing a CAGR of 7.5% since 2012.

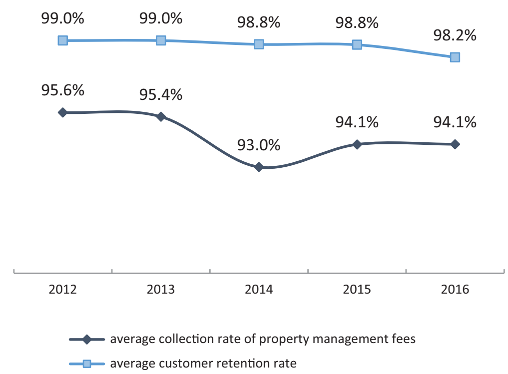
Among the properties under management, residential properties account for the largest share in terms of GFA under management. The chart below sets forth the total GFA of each type of properties managed by the Top 100 Property Management Companies as of December 31, 2016.



Source: *CIA.*

While residential properties still account for the largest percentage of the total GFA of properties under management, property management companies have sought to diversify the types of properties under their management. The total GFA of non-residential properties managed by the Top 100 Property Management Companies increased by 3.3% to approximately 1,460 million sq.m. as of December 31, 2016 from approximately 1,414 million sq.m. as of December 31, 2015.

Driven by customer demand and intense competition, property management companies have invested to improve their service quality and paid more attention to their customers' requirements. In terms of traditional property management services, property management companies have introduced the concepts of "steward service," "one-stop service" and "all-round service" to meet the needs of various aspects of their customers' daily life. In terms of value-added services, property management companies are in the process of promoting the concept of "Internet +" to establish an online and offline community service platform and integrate resources of the surrounding business circle to diversify offerings of products and services and to increase customer loyalty. As a result, residents and owners are more willing to pay the property management fee charged by the property management companies. In addition, improved service quality and diversified services also help increase the collection rates of property management fees and customer retention rates. The chart below sets forth the collection rates and customer retention rates for the Top 100 Property Management Companies from 2012 to 2016. The retention rate slightly dropped to 98.2% in 2016 as compared to 98.8% 2015, primarily due to the Top 100 Property Management Companies' efforts to optimize their portfolio of properties under management, including exiting properties that are not in line with their development priorities.



Source: *CIA.*

Industry Growth Drivers

The growth of China's property management industry depends on various key drivers.

Growth in demand

China's significant growth in urbanization and per capita disposable income has been the principal driver for the growth of the property management industry, according to CIA. The urbanization rate (being the projected average rate of change of the size of the urban population over the given period of time) in China increased from 30.5% as of December 31, 1996 to 57.4% as of December 31, 2016. The PRC property management industry is expected to continue to grow in tandem with rising level of urbanization of the country. Moreover, China's rapid economic growth has spurred continuous growth in the per capita disposable income for urban population which increased to RMB33,616 as of December 31, 2016, representing a CAGR of 8.2% since December 31, 2012. Chinese consumers increasingly demand better living conditions and high-quality property management services, which is another underlying reason for the growth of the PRC property management industry. The economic growth in the PRC has also led to the formation of a middle- to high-income class. As a result, we expect Chinese consumers to become increasingly sophisticated and willing to pay a premium for quality. Moreover, they will consider higher discretionary spending on goods and services beyond basic necessities. We believe the emerging middle- to high-income class in the PRC and their growing spending power will have a large influence on the development of mid- to high-end property management services in the PRC.

Growth in supply

Following rapid urbanization and continuous growth in per capita disposable income, the supply of commodity properties (being residential properties developed for sale) also surged. The total GFA of commodity properties sold increased from approximately 1,113.0 million sq.m. as of December 31, 2012 to approximately 1,573.5 million sq.m. as of December 31, 2016, representing a CAGR of 9.0%.

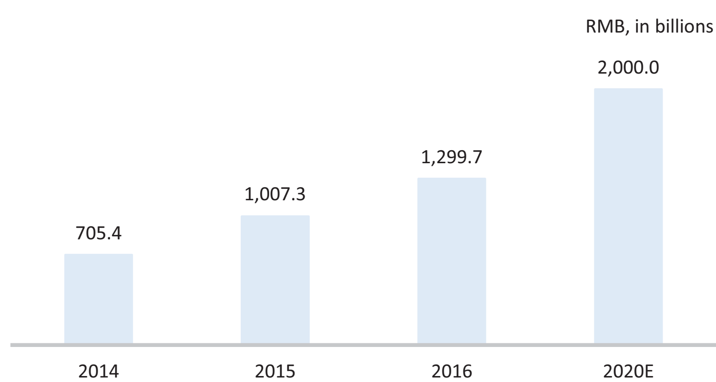
Favorable policies

In June 2003, the Provisions on Property Management (《物業管理條例》) were promulgated, providing a regulatory framework for the property management industry. Subsequently, a number of laws and rules regulating various aspects of the property management industry have come into effect, and various policies have been enacted to promote the development of the property management industry, such as the Circular of the NDRC on the Opinions of Relaxing Price Controls in Certain Services (《國家發展改革委關於放開部分服務價格意見的通知》), the Guidance on Accelerating the Development of the Resident Service Industry to Promote the Upgrading of Consumption Structure (《關於加快發展生活性服務業促進消費結構升級的指導意見》), the Guidance on Intelligent Community Construction (Trial) (《智慧社區建設指南(試行)》), and the Several Opinions on Further Promoting Tourism Investment and Consumption (《關於進一步促進旅遊投資和消費的若干意見》). See the section entitled "Regulatory Overview—Legal Supervision over Property Management Services" in this prospectus. These laws and policies jointly create a supportive and orderly environment for the development of the property management industry and property management companies.

Solid Demand for Vacation Property Management

According to CIA, the tourism industry is experiencing an era of rapid development. The total number of tourists increased by 50.2% from 2012 to 2016, and the domestic revenue from tourism increased by 106.61% during the same period.

According to the National Tourism Administration, investment in the tourism industry increased from approximately RMB406.4 billion in 2012 to approximately RMB1,299.7 billion in 2016, representing a CAGR of 33.7%, and is expected to reach approximately RMB2,000.0 billion in 2020, according to CIA. Driven by the increase in per capita disposable income and the growth of tourism investment, vacation properties as an important part of the tourism industry has also flourished, and thus spawned an increasing demand for vacation property management services. According to CIA, the total GFA of vacation properties managed by the Top 100 Property Management Companies accounted for less than 5.0% of the total GFA of all types of properties managed by them as of December 31, 2016. The development of vacation properties management was further driven by the increasing domestic tourism demand and demand for elderly housing. The chart below sets forth the amount of tourism investment for the years indicated.



Source: National Tourism Administration; the statistics for 2020 in the above chart are estimated by CIA based on historical statistics and growth rates.

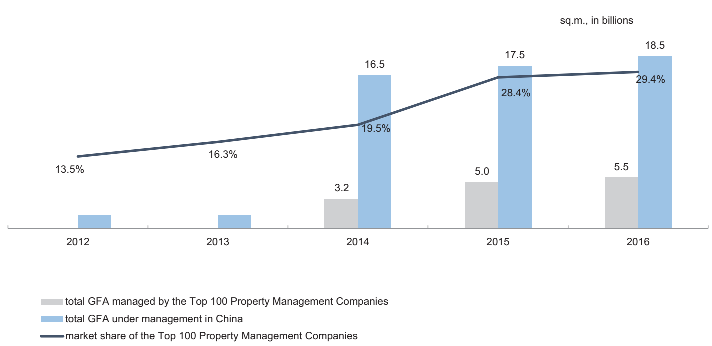
In addition, an increasing number of tourists prefer a relatively long-term stay to the traditional short-term sightseeing trips, which brings great potential to the development of vacation properties as well as vacation property management.

There is a growing demand for, in particular, pension homes among vacation properties. According to the National Bureau of Statistics of the PRC, as of December 31, 2016, China's population above 60 years old reached approximately 231 million, accounting for 16.7% of the total population. According to the National Commission on Aging of the PRC, by 2050, the population above 60 years old will account for approximately 28% of the total population. The arrival of an aging society brings along a large potential demand for vacation properties. Vacation properties that are suitable for the elderly's life and social activities and equipped with necessary medical resources will be particularly attractive to the elderly. Hence, the demand for vacation property management services will continue to grow. In addition, as the aged population continues to grow, the demand for elderly-care services will further increase, which is a potential focus for property management companies.

Trends in the PRC Property Management Industry

Increased Market Concentration

After decades of development of the property management industry, some of the Top 100 Property Management Companies have sped up innovating their services and expanding their business scale. In addition, the market continues to become more concentrated. In the scattered and competitive property management industry, large-scale property management companies actively improve their strategic layout and accelerate their expansion in order to increase their market share and achieve better results of operations, primarily through organic growth and mergers and acquisitions. The chart below sets forth the total GFA managed by the Top 100 Property Management Companies and the aggregate market share of the Top 100 Property Management Companies in terms of the total GFA managed in the years indicated.



Source: *CIA. The amounts of total GFA under management in China for 2012 and 2013 are not available. The market shares for 2012 and 2013 were estimated by CIA based on the market shares for the subsequent years and the market trend.*

Increasing standardization and adoption of information technology

Standardization is not only an important tool for property management companies to improve their service quality, but also the foundation for the scalability of their operations across regions. The PRC government has issued guidance opinions to help increase standardization of the quality of property management services and achieve better allocation and integration of resources. Many of the Top 100 Property Management Companies in the PRC have set up their own internal standardized operating procedures for their services.

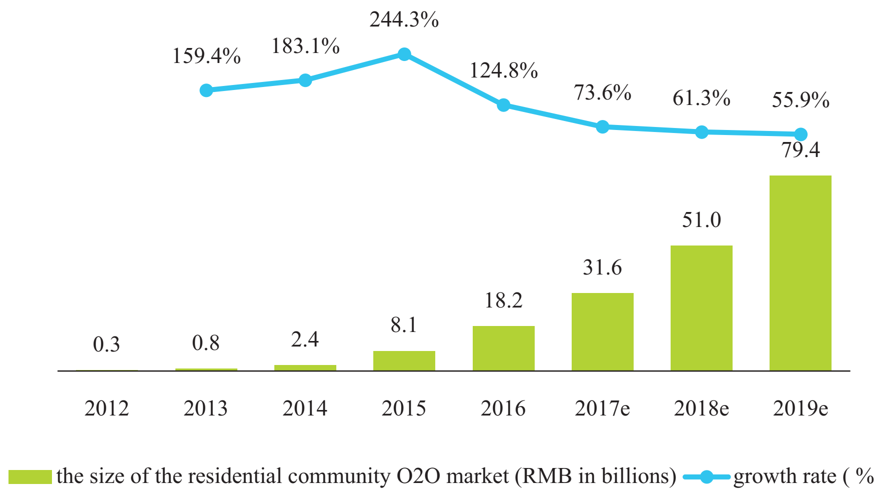
Information technology has played an increasingly important role in property management services in recent years. Many property management companies believe that increasing adoption of information technology could enhance service quality while reducing labor costs. For example, property management companies have placed greater emphasis on adopting centralized information technology, which enable the headquarters to monitor managed properties across their business networks to ensure the quality of property management services. Increased automation in property management can also reduce the reliance on human labor and enhance residents' satisfaction by elevating corporate management standards and reducing human error.

New opportunities in diversified services and intelligent communities facilitated by the Internet

In response to residents' demands for better quality and diversified services as well as increasing operational pressure driven by general cost increases for property management companies, more property management companies are willing to adjust their business model. Service diversification in the property management industry is often facilitated by information technology and the Internet. With the help of the Internet and mobile applications, the development of intelligent communities gradually heats up. Centered around the needs of residents, an "intelligent community" (智慧園區) aims to achieve digitalization, automation, modernization and synergy of resident services through the integration of online and offline information and resources, the reflection of community characteristics and the use of Internet of Things, cloud computing, mobile Internet, intelligent terminal and other information technologies. The development of community value-added services and intelligent communities is also strongly encouraged by relevant PRC governmental authorities.

Community O2O is an important component of an intelligent community, which integrates online and offline resources and provides a platform for one-stop services to residents. According to iResearch, the community O2O industry in China has been growing rapidly in recent years and will continue to grow in the foreseeable future. To minimize penetration cost, property management companies are seeking to start with services that are highly standardized with relatively lower requirements of skills and lower costs, such as laundry services, carpooling services and delivery and pickup services, and subsequently shift towards new types of services, such as housekeeping services and grocery delivery services steadily. With the "development of intelligent applications", intelligent terminals will become important contact points of the community O2O business. Property management companies are aiming to provide multi-dimensional community services by further equipping communities with intelligent terminals to collect information and data periodically for calculation and analysis. With the results of analysis, services can be better tailored to customers' needs.

The following chart sets forth the size and growth rate of the residential community O2O market for the years indicated.



Source: iResearch; statistics for the years from 2017 to 2019 are estimated by iResearch.

According to iResearch, property management companies have several key advantages over pure play O2O companies. First, built on the traditional property management services, property management companies have a large existing customer base and can start with providing community value-added services to the customers of their property management services. Second, property management companies have both online and offline sources of income and can derive revenue from their offline community resources. Third, with access to information of the residents, property management companies offer services to meet the needs of their customers. Fourth, by forming an alliance, property management companies can share information and resources among themselves to the extent permitted by law.

Competition

Competitive landscape

Our property management services primarily compete against large national, regional and local property management companies. Our value-added services compete against other property management companies as well as engineering companies and O2O companies which provide similar services. For example, our value-added services to property owners and residents may compete with vendors and e-commerce businesses that sell food and groceries, and our value-added services to non-property owners may compete with property agents for selling and leasing services as well as advertising companies for advertising services.

According to CIA, the market share of the Top 100 Property Management Companies was approximately 29.4% in terms of GFA under management, and our Company's market share was approximately 0.3% in 2016.

As of December 31, 2016, the properties under our management were located in 46 cities, while the properties managed by the Top 100 Property Management Companies were located in an average of 28 cities, according to CIA. According to CIA, in 2017, we were ranked 10th in terms of revenue and sixth in terms of net profit among all property management companies in South China.

Major property management companies in China experienced a steady growth in the GFA under management. According to CIA, the average GFA managed by the Top 100 Property Management Companies for 2014, 2015 and 2016 was 17.5 million sq.m., 23.6 million sq.m. and 27.3 million sq.m., respectively, whereas the total GFA under our management for the same years was 24.4 million sq.m., 35.0 million sq.m. and 50.1 million sq.m., respectively.

We have been focusing on the management of mid- to high-end properties, the property management fee rates charged for which are above the market average for same type of properties located in the same city. According to CIA, 71.2% of our total GFA was categorized as mid- to high-end properties as of December 31, 2016, among which 60.4% of our total GFA of residential properties and all of our commercial properties under management were categorized as mid- to high-end properties. In calculating the percentage of our GFA categorized as mid- to high-end properties, CIA compared the property management fees charged by us for a type of properties in a city with the average property management fees charged by the Top 100 Property Management Companies for such type of properties in the same city (excluding GFA under management of properties for which we mainly provide consultancy services and sales assistance services).

Many property management companies in China have been seeking to diversify their services and sources of revenue. According to CIA, the average revenue of the Top 100 Property Management Companies for 2016 was RMB628 million, and RMB109 million, or 17.4%, of which was generated from value-added services, whereas our total revenue for the same year was RMB1,245 million, and RMB267 million, or 21.4%, of which was derived from value-added services.

Major property management companies in China have experienced a steady improvement in profitability due to the increase in the GFA under management and effective cost control measures. According to CIA, the average net profit of the Top 100 Property Management Companies for 2014, 2015 and 2016 was RMB31.9 million, RMB39.2 million and RMB45.8 million, respectively, whereas our net profit for the same years was RMB46.7 million, RMB72.0 million and RMB169.0 million, respectively.

The property management market in China is highly fragmented. According to CIA, we were ranked 22nd among the Top 100 Property Management Companies with a market share of approximately 0.3% in terms of total GFA under management. According to CIA, the aggregate market share of the top 30 property management companies was approximately 20.2% in terms of total GFA under management as of December 31, 2016, and the market share of the top 10 property management companies was approximately 10.2% in terms of total GFA under management as of the same date.

Entry Barriers

According to CIA, there are a few barriers to enter into the property management industry, including:

- ***Qualification requirements:*** Property management companies are classified under PRC law into three grades by registered capital and the number of employees, among other things. Companies that hold the highest level of qualification are qualified to manage all types and sizes of properties. In contrast, companies that hold lower levels of qualifications are restrained in terms of the types and sizes of properties they are permitted to manage.

- ***Market specialization:*** different types of properties require different services and standards, and property management companies servicing a certain type of properties may not be capable to service other types of properties in which they have no experience.

- ***Talent specialization:*** as the Internet and new technologies emerge, qualified employees in the property management industry are increasingly demanded, and new property management companies face the difficulty in recruiting and retaining high-quality employees.

- ***Specialization of operations and management:*** to better control costs and ensure service quality, properties management companies need to standardize and centralize their operations. Large-scale property management companies have more resources to invest in standardization and centralization of their operations than new entrants. A well-established standardization and centralization system, in turn, improves properties management companies' capacity to manage more properties.

- ***Brand:*** Top property management companies, including ourselves, have built up their brand reputation through decades of services and operations. In contrast, new companies, without an established brand, face increasing difficulty in penetrating into the market.

DIRECTORS' CONFIRMATION

As of the Latest Practicable Date, after taking reasonable care, our Directors confirm that there was no adverse change in the market information since the respective dates of the various data contained herein, which may qualify, contradict or have an impact on the information in this section.

Our businesses are carried out under extensive regulation and supervision of the Chinese government. This section sets out the main laws, regulations as well as policies we shall abide by.

LEGAL SUPERVISION OVER PROPERTY MANAGEMENT SERVICES

Foreign Invested Property Management Enterprises

According to the Provisions on Guiding the Orientation of Foreign Investment (《指導外商投資方向規定》) (No. 346 Order of the State Council) (issued by the State Council on February 11, 2002 and came into effect on April 1, 2002), foreign investment projects are divided into four categories, namely "encouraged," "permitted," "restricted" and "prohibited" categories. Foreign investment projects of the encouraged, restricted and prohibited categories are listed in the Catalogue of Industries for Guiding Foreign Investment. Foreign investment projects that are not of the encouraged, restricted and prohibited categories belong to the permitted foreign investment projects which are not listed in the Catalogue of Industries for Guiding Foreign Investment.

According to the Catalogue of Industries for Guiding Foreign Investment (Revised in 2017) (《外商投資產業指導目錄(2017年修訂)》) (No. 4 Order of the National Development and Reform Commission and the Ministry of Commerce in 2017) (Jointly revised by the National Development and Reform Commission and the Ministry of Commerce on June 28, 2017 and came into effect on July 28, 2017), the property management industry is an industry that allows foreign investors to make investments.

Qualification of Property Management Enterprises

According to the Regulations on Property Management (《物業管理條例》) (No.379 Order of the State Council) (issued by the State Council on June 8, 2003, came into effect on September 1, 2003 and revised on August 26, 2007 and February 6, 2016), a qualification system for companies engaging in property management activities has been adopted.

According to the Measures for the Administration on Qualifications of Property Management Enterprises (《物業管理企業資質管理辦法》) (No.125 Order of the Ministry of Construction) (issued by the Ministry of Construction on March 17, 2004, came into effect on May 1, 2004 and revised on November 26, 2007 and May 4, 2015), property management enterprises shall be classified into Level One, Level Two and Level Three by qualifications based on relevant specific conditions.

According to the Decision of the State Council on Canceling the Third Batch of Administrative Licensing Items Designated by the Central Government for Implementation by Local Governments (《國務院關於第三批取消中央指定地方實施行政許可事項的決定》) (GF [2017] No.7) (issued by the State Council on January 12, 2017 and came into effect on the same day), qualification accreditation for property management enterprises of Level Two and Level Three is canceled.

According to the Decision of the State Council on Canceling a Group of Administrative Licensing Items (《國務院關於取消一批行政許可事項的決定》) (GF [2017] No.46) (issued by the State Council on September 22, 2017 which came into effect on the same day), qualification accreditation for property management enterprises of Level One is canceled.

According to the Notice of the General Office of Ministry of Housing and Urban-Rural Development on Effectively Implementing the Work of Canceling the Qualification Accreditation for Property Management Enterprises (Jianbanfang [2017] No.75) (issued by the General Office of Ministry of Housing and Urban-Rural Development on December 15, 2017 and came into effect on the same day), application, change, renewal or re-application of the qualifications of property management enterprises shall not be accepted, and the qualifications obtained already shall not be a requirement for property management enterprises to undertake new property management projects.

Appointment of Property Management Enterprises

According to the Property Law of the PRC (《中華人民共和國物權法》) (No.62 Order of the President of the PRC) (issued by the National People's Congress on March 16, 2007 and came into effect on October 1, 2007), property owners can either manage the buildings and ancillary facilities by themselves, or sub-contract the matter to a property management enterprise or other custodians. As regards the property management enterprise or any other custodians hired by the developer, property owners are entitled to alter it in accordance with law. Property management enterprises or other custodians shall manage the buildings and ancillary facilities within the area of the building as agreed with the property owners, and shall be subject to the supervision by them.

According to the Regulations on Property Management, a general meeting of the property owners of a community can engage or dismiss the property management enterprise with affirmative votes of owners who own more than half of the total GFA of the community and who account for more than half of the total number of the property owners. Property owners' association, on behalf of the general meeting, can sign property management contract with property management enterprises engaged at the general meeting. Where a developer recruits and selects any property management enterprise before it is selected by owners and the general meeting, such developer shall conclude a written preliminary property management contract with the enterprise. The preliminary property management contract may stipulate the contract duration. If the property management contract signed by the property owners' association and the property management enterprise comes into force within the term of preliminary property management, the preliminary property management contract automatically terminates.

According to the Regulations on Property Management and the Interim Measures for Tender and Bidding Management of Preliminary Property Management (《前期物業管理招標投標管理暫行辦法》) (JZF [2003] No.130) (issued by the Ministry of Housing and Urban-Rural Development on June 26, 2003 and came into effect on September 1, 2003), developer of residential buildings and non-residential buildings in the same property management area shall engage qualified property management enterprises by inviting bid. In case where there are less than three bidders or for small-scale properties, the developer can hire qualified property management enterprises by signing an agreement with the approval of the real estate administrative department of the local government of the place where the property is located. Where the developer fails to hire the property management enterprise through a tender and bidding process or hire the property management enterprise by signing agreement without the approval of relevant government authority, the competent real estate administrative department of the local government at the county level or above shall order it to make correction within a prescribed time limit, issue a warning and impose with the penalty of no more than RMB100,000.

Bid assessment shall be the responsibility of the bid assessment committee established by the developer in accordance with relevant laws and regulations. The bid assessment committee shall be composed of the representative of the developer and experts in the related property management fields and the number of members shall be an odd number at or above five. The expert members shall represent at least two-thirds of the total members. Expert members in the bid assessment committee shall be determined by random select from the roster of experts established by the competent real estate administrative department. A person having an interest with a bidder may not join the bid assessment committee of the related project.

In addition, Interpretation of the Supreme People's Court on Several Issues the Specific Application of Law in the Trial of Cases of Disputes over Property Management Service (《最高人民法院關於審理物業服務糾紛案件具體應用法律若干問題的解釋》) (FS [2009] No.8) (issued by the Supreme People's Court on May 15, 2009 and came into effect on October 1, 2009) stipulates the interpretation principles applied by the court when hearing disputes on specific matters between property owners and property management enterprises. For example, the preliminary property management contract signed according to the relevant laws and regulations by the developer and the property management enterprise and the property management contract signed by the property owners' association and property management enterprises hired according to the relevant laws and regulations by the general meeting are legally binding on property owners, the people's court shall not support a claim if property owners plead as property owners are not party to the contract. The court shall support a claim if property owners' association or property owners appeal to the court to confirm that the clauses of property management service contracts which exempt the responsibility of property management enterprises or which aggravate the responsibility or harm the rights of property owners' association or property owners are invalid.

Charging of Property Management Enterprises

According to the Measures on the Charges of Property Management Enterprise (《物業服務收費管理辦法》) (FGJG [2003] No.1864) (jointly issued by the National Development and Reform Commission and the Ministry of Housing and Urban-Rural Development on November 13, 2003 and came into effect on January 1, 2004), property management enterprises are allowed to repair, conserve and manage the houses and supporting facilities, equipment and places and maintain the sanitation and order in relevant regions according to related property management contract, and charge fees from owners.

The competent pricing department and construction administrative department of the State Council shall jointly supervise and administer the fee charged by property management in China. The competent pricing department of the local people's governments at or above the county level shall be in charge of supervision of and control over fees charged by property management enterprises within their administrative regions jointly with the competent real estate administrative department at the same level.

The fees charged by property management enterprises shall be based on both the government guidance price and market regulated price on the basis of the nature and features of relevant properties. Specific form of pricing shall be determined by the competent pricing departments of the people's governments in the provinces, autonomous regions and municipalities directly under the Central Government jointly with competent administrative departments at the same level.

As agreed between the property owners and property management enterprises, the fees for the property management services can be charged either as a lump sum basis or a commission basis. The lump sum basis refers to the charging mode requiring property owners to undertake the fixed property management expenses and property management enterprises to enjoy or assume the surplus or deficit. The commission basis refers that property management enterprises may collect its service fee in the proportion or amount as agreed from the property management income in advance, the rest of which shall be exclusively used on the items as stipulated in the property management contract, and property owners shall enjoy or assume the surplus or deficit.

Property management enterprises shall expressly mark prices according to the regulations of competent pricing department of the people's government, revealing the service information, standards, charging items and standards to the public at prominent positions within the property management region.

According to the Provisions on Clearly Marking the Prices of Property Services (《物業服務收費明碼標價規定》) (FGJJ [2004] No.1428) (jointly issued by the National Development and Reform Commission and the Ministry of Construction on July 19, 2004 and came into effect on October 1, 2004), property management enterprises shall clearly mark the price, state service items and standards and relevant information on services (including property management services under the property management contract and services entrusted by property owners) provided to the owners. If the charging standard changes, property management enterprises shall adjust all relevant information one month before implementing the new standard and indicate the date of implementing the new standard. If property management enterprises fail to charge according to the marked price or mark false price, they will be ordered to surrender all illegal incomes obtained therefrom, pay the penalty and even terminate the business until irregularities are corrected.

According to the Property Management Pricing Cost Supervision and Examination Approaches (Trial) (《物業服務定價成本監審辦法（試行）》) (FGJG [2007] No.2285) (jointly issued by the National Development and Reform Commission and the Ministry of Construction on September 10, 2007 and came into effect on October 1, 2007), competent pricing department of people's government formulates or regulates property management charging standards and implements pricing cost supervision and examination on relevant property management enterprises. Property management pricing cost is determined according to the social average cost of property management services verified by the competent pricing department of the people's government. With the assistance of competent real estate administrative department, competent pricing department is responsible to organize the implementation of the property management pricing cost supervision and examination work. Property management service pricing cost shall include staff costs, expenses for daily operation and maintenance on public facilities and equipment, green conservation costs, sanitation fee, order maintenance cost, public facilities and equipment as well as public liability insurance costs, office expenses, shared administration fee, fixed assets depreciation and other fees approved by property owners.

LEGAL SUPERVISION OVER THE INTERNET INFORMATION SERVICES

Supervision on Internet Information Services

According to the Administrative Measures on Internet Information Services (《互聯網信息服務管理辦法》) (No.292 Order of the State Council) (issued by the State Council on September 25, 2000, came into effect on the same day and revised on January 8, 2011), Internet information service refers to the provision of information through Internet to web users, and includes two categories: commercial and non-commercial. Commercial Internet information service refers to the provision with charge of payment of information through the Internet to web users or of web page designing, etc. Non-commercial Internet service refers to the provision free of charge of public, commonly-shared information through the Internet to web users.

Entities engaged in providing commercial Internet information service shall apply for a license for value-added telecommunication services of Internet information services. As for the operation of non-commercial Internet information services, only a filing is required. Internet information service provider shall provide services within the scope of their licenses or filing. Non-commercial Internet information service providers shall not provide services with charge of payment. In case an Internet information service provider changes its services, website address, etc., it shall apply for approval 30 days in advance at the relevant government department.

Where an entity provides commercial Internet information service without a license or provides service beyond the scope of the license, provincial telecommunication administrative department shall order it to make correction within a prescribed time limit. Where there are illegal gains, such gains shall be confiscated; and a fine more than three times and less than five times of such gains shall be imposed. Where there is no illegal gain or the gain is less than RMB 20,000, a fine of RMB 100,000 to RMB 1 million shall be imposed. Where the circumstance is serious, the website shall be ordered to shut down. Where an entity provides non-commercial Internet information service without a filing, provincial telecommunication administrative department shall order it to make corrections within a prescribed time limit and to shut down the website if it refused to make corrections.

Supervision on Mobile Internet Application Information Services

According to the Provisions on Administration of Mobile Internet Application Information Services (《移動互聯網應用程序信息服務管理規定》) (issued by the Cyberspace Administration of China on June 28, 2016 and came into effect on August 1, 2016), entities providing information services through mobile Internet applications shall obtain relevant qualifications according to law. Mobile Internet application provider shall not use mobile Internet application program to carry out activities prohibited by laws and regulations, such as endangering national security, disturbing public orders, and infringing other's legal rights and interests, or use mobile internet applications to produce, copy, publish and spread illegal information prohibited by laws and regulations.

The Cyberspace Administration of China shall be responsible for the supervision and administration of information on mobile Internet applications. The local cyberspace administrations shall be responsible for the supervision and administration of information on mobile Internet application program within the administrative regions.

LEGAL SUPERVISION OVER OTHER MAIN BUSINESSES OF THE COMPANY

Supervision over Real Estate Brokerage Business

According to the Urban Real Estate Administration Law of the PRC (《中華人民共和國城市房地產管理法》) (No. 29 Order of the President of the PRC) (issued by the Standing Committee of the National People's Congress on July 5, 1994, came into effect on

January 1, 1995 and revised on August 30, 2007 and August 27, 2009), real estate intermediate service agencies include real estate consultants, real estate evaluation agencies, real estate brokerage agencies, etc. Real estate intermediate agencies shall meet the following conditions: (1) have their own name and organization; (2) have a fixed business site; (3) have the necessary assets and funds; (4) have a sufficient number of professionals; (5) other conditions specified by laws and administrative regulations.

According to the Administrative Measures for Real Estate Brokerage (《房地產經紀管理辦法》) (No.8 Order of the MOHURD, NDRC and Ministry of Human Resources and Social Security) (issued by the MOHURD, NDRC and Ministry of Human Resources and Social Security on October 27, 2010, came into effect on April 1, 2011 and revised on March 1, 2016), real estate brokerage refers to the acts of providing intermediary and agency services to and collecting commissions from clients by real estate brokerage institutions and real estate brokers for the purpose of promoting real estate transactions. Sufficient number of real estate agents shall be equipped to establish real estate brokerage agencies and their branches. Real estate brokerage agencies and their branches shall go to the competent housing and urban-rural development (real estate) authority for handling the filing formalities within 30 days from the date of receiving business licenses.

Supervision and Control over Advertising Business

According to the Advertising Law of the PRC (《中華人民共和國廣告法》) (No.34 order of the President of the PRC) (issued by the Standing Committee of the National People's Congress on October 27, 1994, came into effect on February 1, 1995 and revised on April 24, 2015), advertisement shall be expressed in a true, legal, healthy manners, in line with requirements of construction of socialist spiritual civilization and development of Chinese national fine cultural tradition, shall not contain false or misleading content and defraud or mislead consumers. Advertisers, advertising agents and advertisement publishers shall abide by the laws, regulations and the principles of justice, honesty and fair competition in carrying out advertising activities. Local administrative departments for industry and commerce at and above the county level shall take charge of the supervision and administration on advertising within their respective administrative jurisdictions. Other relevant departments of the local people's governments at and above the county level shall take charge of the advertising management-related work within their respective scope of duties.

Supervision and Control over Tourism Business

According to the Tourism law of the PRC (《中華人民共和國旅遊法》) (No.3 Order of the President of the PRC) (issued by the Standing Committee of the National People's Congress on April 25, 2013, came into effect on October 1, 2013 and revised on November 7, 2016), tourism operators shall abide by the principles of good faith and fair competition, assume social responsibility, and provide safe, healthy, hygienic and convenient travel services for tourists. The establishment of travel agencies for soliciting, organizing and receiving tourists and providing tourism services for them shall meet the following conditions, obtain permits from competent tourism departments and handle industrial and commercial registration according to laws: (1) have a fixed business site; (2) have the necessary business facilities; (3) have registered capital that meets the relevant provisions; (4) have necessary management and operation personnel and tour guides; (5) other conditions specified by laws and administrative regulations. Tourism agency shall not lease or lend its business license or transfer its business license illegally in any other ways. The administrative departments of tourism and relevant departments of the people's government at or above the county level shall supervise and manage the tourism market within their respective functions and duties according to the Tourism Law of the PRC and the relevant laws and regulations.

Labor and Social Insurance-related Laws and Regulations

According to the Labor Law of the PRC (《中華人民共和國勞動法》) (No.28 Order of the President of the PRC) (issued by the Standing Committee of the National People's Congress on July 5, 1994, came into effect on January 1, 1995 and revised on August 27, 2009), employers shall establish and improve their rules and regulations in accordance with the law so as to ensure that workers enjoy labor rights and perform their labor obligations.

According to the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) (No.65 Order of the President of the PRC) (issued by the Standing Committee of the National People's Congress on June 29, 2007, came into effect on January 1, 2008 and revised on December 28, 2012) and the Regulation on the Implementation of the Labor Contract Law of the PRC (No.535 Order of the State Council) (issued by the State Council on September 18, 2008 and came into effect on the same day), labor contracts must be concluded in written form. Upon reaching an agreement after due negotiation, an employer and an employee may conclude a fixed-term labor contract, a non-fixed-term labor contract or a labor contract that concludes upon the completion of certain work assignment. Upon reaching an agreement after due negotiation with employees or under other circumstances in line with legal conditions, an employer may terminate a labor contract and dismiss its employees according to law. Labor contracts concluded before the issuance of Labor Law and existing during its effective term shall continue to be acknowledged.

According to the Interim Regulations on Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) (No.259 Order of the State Council) (issued by the State Council on January 22, 1999 and came into effect on the same day), the Regulation on Work-Related Injury (《工傷保險條例》) (No. 375 Order of the State Council) (issued by the State Council on April 27, 2003, came into effect on January 1, 2004 and revised on December 20, 2010), the Regulations on Unemployment Insurance (《失業保險條例》) (No.258 Order of the State Council) (issued by the State Council on January 22, 1999 and came into effect on the same day) and the Trial Measures on Employee Maternity Insurance of Enterprises (《企業職工生育保險試行辦法》) (Order No. 504 of the Ministry of Labor and Social Insurance) (issued by the Ministry of Labor on December 14, 1994 and came into effect on January 1, 1995), Chinese enterprises shall provide their employees with benefit programs including basic pension insurance, unemployment insurance, maternity insurance, work injury insurance and basic medical insurance. Employers must carry out social insurance registration at the local social insurance agency, provide social insurance and pay or withhold the relevant social insurance premiums for or on behalf of employees. According to the Social Insurance Law of PRC (《中華人民共和國社會保險法》) (Order No.35 of the President of the PRC), (issued by the Standing Committee of the National People's Congress on October 28, 2010 and came into effect on July 1, 2011), for employers failing to conduct social insurance registration, the administrative department of social insurance shall order them to make corrections within a prescribed time limit; if they fail to do so within the time limit, employers shall have to pay a penalty over one time but no more than three times of the amount of the social insurance premium payable by them, and their executive staffs and other directly responsible persons shall be fined RMB500 to RMB3,000. Where an employer fails to pay social insurance premiums in full or on time, the social insurance premium collection agency shall order it to pay or make up the balance within a prescribed time limit, and shall impose a daily late fee at the rate of five-ten thousandths of the outstanding amount from the due date; if still failing to pay within the time limit prescribed, a fine of one time to three times the amount in default will be imposed on them by the relevant administrative department.

According to the Regulations on Management of Housing Provident Fund (《住房公積金管理條例》) (No. 262 Order of the State Council) (issued by the State Council on April 3, 1999 and came into effect on the same day, and revised on March 24, 2002), the housing provident fund deposited by an employee and its employer shall be owned by the employee. Employers shall pay the housing provident fund in full and on time and overdue or insufficient payment shall be prohibited. Employers shall conduct the housing fund payment and deposition registration in the housing provident fund administrative center. For companies in violation of the above laws and regulations and fail to apply for housing provident fund deposit registration or open housing provident fund accounts for their employees, the housing provident fund administrative center shall order the relevant companies to complete the relevant procedures within a prescribed time limit. Companies failing to make registration provident fund accounts for their employees, the housing provident fund administrative center shall order the relevant companies to complete the relevant procedures within a prescribed time limit. Companies failing to make registration within the prescribed time limit will be fined RMB10,000 to RMB50,000. In the event that a company violates these regulations and fails to pay the housing provident fund in full amount before the deadline, the housing provident fund administrative center will order the company to pay the amount within a prescribed time limit; if the company still fails to comply with the regulations upon the expiration of the above-mentioned time limit, further application will be made to the People's Court for compulsory enforcement.

INTELLECTUAL PROPERTY RIGHTS RELATED LAWS AND REGULATIONS

Patent Law

According to the Patent Law of the PRC (《中華人民共和國專利法》) (No.11 Order of the President of the PRC) (issued by the Standing Committee of the National People's Congress on March 12, 1984, came into effect on April 1, 1985, revised on September 4, 1992, August 25, 2000 and December 27, 2008), the State Intellectual Property Office is responsible for managing patent work of the whole nation. The patent management departments of the people's governments of each province, autonomous region and municipality directly under the central government are responsible for the patent management in their respective administrative regions. Chinese patent system adopts the principle of "prior application", i.e. where two or more applicants file applications for patent for the identical invention or creation respectively, the patent right shall be granted to the applicant whose application was filed first. If one wishes to file application for patent for invention or utility models, the following three standards must be met: novelty, creativity and practicability. The validity period of a patent for invention is 20 years, while the validity period of utility models and design is 10 years. Others may use the patent after obtaining the permit or proper authorization of the patent holder, otherwise such behavior will constitute an infringing act of the patent right.

Trademark Law

Trademarks are protected by the Trademark Law of the PRC (《中華人民共和國商標法》) (No.10 Order of the Standing Committee of the National People's Congress) (issued by the Standing Committee on August 23, 1982, came into effect on March 1, 1983 and revised on February 22, 1993, October 27, 2001 and August 30, 2013) and the PRC Trademark Law Implementing Regulations (《中華人民共和國商標法實施條例》) (No. 651 Order of the State Council) (issued by the State Council on April 29, 2014 and came into effect on May 1, 2014). The trademark bureaus under the General Administration for Industry and Commerce are responsible for trademark registration and authorizing registered trademarks for a validity period of 10 years. Trademark registrants may apply for renewal of registration, and the validity of a renewed registered trademark is the following 10 years. Trademark registrants may, by signing a trademark license contract, authorize others to use their registered trademark. The trademark license contract shall be submitted to the trademark office for filing. For trademarks, trademark law adopts the principle of "prior application" while handling trademark registration. Where a trademark under registration application is identical with or similar to the trademark of another party that has, in respect of the same or similar goods or services, been registered or, after examination, preliminarily approved, the application for trademark registration may be rejected. Anyone who applies for trademark registration shall not impair any existing prior right of anyone else, or forestall others in registering a trademark which others have already begun to use and which has "some influence".

Copyright law

The Copyright Law of the PRC (《中華人民共和國著作權法》) (No.31 Order of the President of the PRC) (issued by the Standing Committee of the National People's Congress on September 7, 1990, came into effect on June 1, 1991 and revised on October 27, 2001 and February 26, 2010) specifies that works of Chinese citizens, legal persons or other organizations, including literature, art, natural sciences, social sciences, engineering technologies and computer software created in writing or oral or other forms, whether published or not, all enjoy the copyright. Copyright holder can enjoy multiple rights, including the right of publication, the right of authorship and the right of reproduction.

The Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》) (No.1 Order of the National Copyright Administration) (issued by the National Copyright Administration on February 20, 2002, and came into effect on the same day) regulates the registration of software copyright, the exclusive licensing contract and transfer contracts of software copyright. The National Copyright Administration is mainly responsible for the registration and management of national software copyright and recognizes the China Copyright Protection Center as the software registration organization. The China Copyright Protection Center will grant certificates of registration to computer software copyright applicants in compliance with the regulations of the Measures for the Registration of Computer Software Copyright and the Regulations on Protection of Computers Software (《計算機軟件保護條例》) (No.339 Order of the State Council) (issued by the State Council on December 20, 2001, came into effect on January 1, 2002 and revised on January 8, 2011 and January 30, 2013).

According to the Provisions of the Supreme People's Court on Several Issues Concerning the Application of Law in Hearing Cases of Civil Disputes of Information Network Transmission Right (《最高人民法院關於審理侵害信息網絡傳播權民事糾紛案件適用法律若干問題的規定》) (No.20 FS [2012]) (issued by the Supreme People's Court on December 17, 2012 and came into effect on January 1, 2013), where network users or network service providers provide, through information networks, any work, performance, or audio or video recording in which the right holders enjoy the transmission right of information network without due permission, they shall be regarded as infringing upon the transmission right of information network by the people's court.

Domain Name

According to the Measures on the Administration of Internet Domain Names of China (《中國互聯網網絡域名管理辦法》) (No.30 Order of the Ministry of Information Industry) (issued by the Ministry on November 5, 2004 and came into effect on December 20, 2004), the Ministry of Information Industry is responsible for managing Internet network domain names of China. The principle of "first-to-file" is adopted for domain name services. The applicant of domain name registration shall provide the agency of domain name registration with the true, accurate and complete information relating to the domain name to be applied for, and sign the registration agreements. Upon the completion of the registration process, the applicant will become the holder of the relevant domain name.

CHINESE TAX LAWS AND REGULATIONS

Income Tax

According to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) (No.63 Order of the President of PRC, hereinafter referred to as the Enterprise Income Tax Law) (issued by the National People's Congress on March 16, 2007, came into effect on January 1, 2008 and revised on February 24, 2017) and the Regulations on the Implementation of the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法實施條例》) (No.512 Order of the State Council, hereinafter referred to as Regulations on the Implementation of the Enterprise Income Tax Law) (issued by the State Council on December 6, 2007 and came into effect on January 1, 2008), the 25% rate applies to the income related to all PRC enterprises, foreign-invested enterprises and foreign enterprises who have production and operation facilities in the PRC. These enterprises are classified into resident and non-resident enterprises. Enterprises which are established according to the law of a foreign country or region, but whose actual management bodies (referring to the bodies conducting substantive and all-around management and control over the enterprises' production, operation, personnel, accounting matters, finance, etc.) are in the PRC are deemed as resident enterprises. Thus, the 25% rate applies to their income from both inside and outside the PRC.

According to the Enterprise Income Tax Law and the Regulations on the Implementation of the Enterprise Income Tax Law, for dividends distributed to non-resident enterprise (enterprises have no organizations or business sites in China, or those have organizations and business sites in China but to whom the income of the enterprises is not substantially connected) investors, 10% of the PRC withholding tax shall be paid, except where the applicable tax treaties are reached between the jurisdictions of the non-resident enterprises and the PRC and the terms on relevant tax concession are provided. Similarly, any profit derived from the transfer of shares by the investor, if regarded as profit of income from the territory of the PRC, shall be taxed in accordance with a Chinese income tax rate of 10% (or a lower tax treaty rate (if applicable)).

According to the Arrangements Between the PRC and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》) (issued by State Administration of Taxation on August 21, 2006 and came into effect on December 8, 2006), if any company incorporated in Hong Kong holds no less than 25% of the equity of a PRC company, its dividend obtained from the company incorporated in the PRC shall be taxed with a lower tax rate of 5% as the withholding tax. According to the Notice on the Understanding and

Identification of the Beneficial Owners in the Tax Treaty (《關於如何理解和認定稅收協定中"受益所有人"的通知》) (Guo Shui Han [2009] No. 601) (issued by State Administration of Taxation on October 27, 2009 and came into effect on the same day), "conduit" companies or shell companies without substantial business do not enjoy preferential tax treaty benefits and shall carry out analysis of beneficial owners according to the principle of "substance-over-form" so as to decide whether to grant preferential tax treaty benefits.

According to the Announcement on Several Issues concerning the Enterprise Income Tax on Income from the Indirect Transfer of Assets by Non-Resident Enterprises (《關於非居民企業間接轉讓財產企業所得稅若干問題的公告》) (SAT Public Notice [2015] No. 7) (issued by State Administration of Taxation on February 3, 2015 and came into effect on the same day), where a non-resident enterprise indirectly transfers equities and other assets of a PRC resident enterprise to avoid the enterprise income tax payment obligation by making an arrangement with no reasonable business purpose, such indirect transfer shall be redefined and recognized as a direct transfer in accordance with the provisions of the Enterprise Income Tax Law.. Where the enterprise income tax on the income from the indirect transfer of real estate or equities shall be paid in accordance with the provisions of this Announcement, the entity or individual that directly assumes the obligation to make relevant payments to the transferor according to the provisions of the relevant laws or as agreed upon in the contract shall be the withholding agent. If the equity transferor fails to declare and pay tax payable of indirectly transferred taxable property income in the PRC on time and in full amount, and the withholding agent fails to withhold the tax, in addition to recovering the tax payable, the equity transferor should be charged with interest on a daily basis according to the provisions of the Regulations on the Implementation of the Enterprise Income Tax Law.

Value-added Tax

According to the Temporary Regulations on Value-Added Tax of the PRC (《中華人民共和國增值稅暫行條例》) (No. 134 Order of the State Council) (issued on December 13, 1993 by the State Council, came into effect on January 1,1994 and revised on November 10, 2008 and February 6, 2016) and the Detailed Implementing Rules for the Implementation of the Temporary Regulations on Value Added Tax of the PRC (《中華人民共和國增值稅暫行條例實施細則》) (No. 65 Order of the MOF) (issued on December 25, 1993 by the MOF, came into effect on the same day and revised on December 15, 2008 and October 28, 2011), taxpayers who sell goods, provide processing, repairing and replacement services or import goods within the territory of the PRC shall all pay value-added tax. Unless otherwise specified, tax rate for general taxpayers who sell or import goods of all kinds is 17%; tax rate for taxpayers who provide processing, repairing and replacement services is 17%; tax rate applicable for taxpayers who export goods is nil.

In addition, in accordance with the Notice on Fully Launch of the Pilot Scheme for the Conversion of Business Tax to Value-Added Tax (《關於全面推開營業稅改徵增值稅試點的通知》) (Cai Shui [2016] No. 36) (issued by the MOF and the State Administration of Taxation on March 23, 2016 and came into effect on May 1, 2016), the state started to fully implement the pilot change from business tax to value-added tax on May 1, 2016. All taxpayers of business tax in construction industry, real estate industry, financial industry and living service industry have been included in the scope of the pilot and should pay value-added tax instead of business tax.

City Maintenance and Construction Tax and Educational Surcharges

According to the Notice on Unifying the System of Urban Maintenance and Construction Tax and Education Surcharge Paid by Domestic and Foreign-invested Enterprises and Individuals (《關於統一內外資企業和個人城市維護建設稅和教育費附加制度的通知》) (Guo Fa [2010] No. 35) (issued by the State Council on October 18, 2010 and came into effect on December 1, 2010), since December 1, 2010, the Temporary Regulation on Urban Maintenance and Construction Tax of the PRC (《中華人民共和國城市維護建設稅暫行條例》) issued in 1985 and the Temporary Provisions on the Collection of Educational Surcharges (《徵收教育費附加的暫行規定》) issued in 1986 and other rules and regulations issued by the State Council and other competent departments in charge of relevant financial and tax authorities shall apply to foreign-invested enterprises, foreign enterprises and foreign individuals.

According to the Temporary Regulation on Urban Maintenance and Construction Tax of the PRC (issued by the State Council on February 8, 1985, retroactive to January 1, 1985 and revised on January 8, 2011), entities and individuals who pay consumption tax, value-added tax and business tax shall pay city maintenance and construction tax. The payment of city maintenance and construction tax is based on the actual amount of consumption tax, value-added tax and business tax paid by the entities and individuals and shall be paid at the same time along with the above taxes. If the location of the taxpayer is in city downtown area, the tax rate shall be 7%; if the location of the taxpayer is in a county or town, the tax rate shall be 5%; the tax rate shall be 1% for taxpayer located out of city downtown area, county or town.

According to the Temporary Provisions on the Collection of Educational Surcharges (Guo Fa [1986]No. 50) (issued by the State Council on April 28, 1986, came into effect on July 1, 1986 and revised on June 7, 1990, August 20, 2005 and January 8, 2011), the tax rate of education surcharges shall be 3% of the actual amount of consumption tax, value-added tax and business tax paid by the entities and individuals and paid at the same time along with the above taxes.

Foreign Exchange Regulations of the PRC

According to Regulations on the Administration of Foreign Exchange of the PRC (《中華人民共和國外匯管理條例》) (No. 193 Order of the State Council) (issued by the State Council on January 29, 1996, came into effect on April 1, 1996 and revised on January 14, 1997 and August 5, 2008), foreign currency earnings of domestic entities or individuals can be transferred back to the PRC or deposited overseas; the conditions and time limit of transferring back to China and overseas deposit shall be specified by the foreign exchange administration department of the State Council according to the international receipts and payments status and requirements of foreign exchange administration. Foreign exchange receipts for current account transactions may be retained or sold to financial institutions engaged in the settlement or sale of foreign exchange according to the relevant provisions of the State. Domestic entities or individuals who directly make overseas investment or involve in distribution or trade of foreign securities or derivative products, shall go through the formalities for registration in accordance with the provisions of the foreign exchange administration department of the State Council. If the above entities or individuals shall be subjected to the approved of or record-filing with the competent department in advance as required by the state, they should submit related documents for inspection, approval and record-filing before foreign exchange registration. The exchange rate for RMB follows a managed floating exchange rate system based on market demand and supply.

According to the Provisions on Administration of Settlement, Sale and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》) (Yin Fa [1996] No. 210) (issued by the People's Bank of China on June 20, 1996 and came into effect on July 1, 1996), foreign exchange receipts under the current account of foreign-invested enterprises may be retained within the maximum amount approved by the foreign exchange administration department and the exceeding part shall be sold to a designated foreign exchange bank or sold through the foreign exchange swap center.

According to the Notice of State Administration of Foreign Exchange on Reforming and Regulating the policies for the Administration of Foreign Exchange Settlement under the Capital Account (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) (Hui Fa [2016] No.16) (issued by the State Administration of Foreign Exchange on June 9, 2016 and came into effect on the same day), the settlement of foreign exchange receipts under the capital account (including foreign exchange capital, external debts, funds repatriated from overseas listing, etc.) entitled to discretionary settlement according to relevant policies, shall be conducted in the banks as actually needed for business operation. The RMB funds obtained by a domestic entity from its discretionary settlement of foreign exchange receipts under the capital account shall be included in the account pending for foreign exchange settlement and payment. The discretionary exchange settlement ratio of foreign exchange receipts under the capital account of domestic entities is tentatively set as 100%. The State Administration of Foreign Exchange may adjust the above ratio in due time in accordance with the balance of payment status.

"FULL LIQUIDITY" PILOT PROGRAMS FOR H SHARES

According to the CSRC Pilot Program for the Deepening Reforms on Overseas Listing Systems and the "Full Liquidity" of H Shares (《中國證監會深化境外上市制度改革開展H股「全流通」試點》) issued by the CSRC on December 29, 2017 and the Reply to the Press by the CSRC Spokesperson, Chang Depeng regarding the implementation of the "Full Liquidity" Pilot Program of H Shares (《中國證監會新聞發言人常德鵬就開展H股「全流通」試點相關事宜答記者問》) issued by the CSRC on December 29, 2017 and approved by the State Council, the CSRC carried out the "Full Liquidity" Pilot Program of H-share Listed Companies with no more than three enterprises, which required enterprises involved in the pilot program to perform some procedures and meet the following four basic conditions:

(1) fulfilled the relevant legal provisions and policy requirements of foreign investment access, state-owned assets management, state security and industrial policy.

(2) their respective industries are in line with the development concept of innovative, coordinated, green, open and sharing, the development direction of the industrial policy of the state, as well as the national strategy of serving the real economy and supporting the "One Belt, One Road" construction, they also have to be high-quality enterprises.

(3) the equity structures of existing shares are relatively simple and their respective market value will be not less than HK$1 billion.

(4) the corporate governance is standard, the internal decision-making procedures are in compliance with the laws, which can practicably and adequately protect shareholders' rights of knowledge, participation and voting.

"Full Liquidity" Pilot Program adheres to the principle of market-oriented decision-making, the enterprises and relevant shareholders participating in the pilot program, provided that pilot conditions are met, can determine the number and proportion of liquid shares independently and form a "Full Liquidity" scheme in favor of the long-term development of the Company through consultations.

HISTORY AND DEVELOPMENT

History

Our history dates back to 1993, when Agile Group, our Controlling Shareholder, started providing management services for the properties developed by it. In 1997, our Company was established and took the initiative to adopt the Hong Kong-style property management model in China. This laid the foundation for our Group to become a leader in the mid-to high-end property management industry in the PRC. At the initial stage of our development, we mainly provided our services in Guangdong province. Since our inception, we have been focusing on improving our service quality and became one of the first property management companies that obtained a Level One Property Management Qualification in 2001.

To maintain long-term and steady growth of our business, we continuously improve our service quality, enhance our competitiveness and sustain our brand advantages. Our Group (including Greenland Property Services), after decades of operation, had 118 branch offices offering services in 65 cities in China as of September 30, 2017 and covering various types of properties.

We have redefined the way we offer property management services with the incorporation of Internet technologies. In 2015, our Group began to develop an integrated one-stop service platform. With an aim of dedicating to the realization of Internet-driven property management services and the improvement of service efficiency, we integrated the online and offline resources in the communities we manage, along with which, "A-Steward (雅管家)," "A-Business (雅商家)," "A-Assistant (雅助手)" and other mobile applications were developed. The development and operation of our mobile applications marked the establishment of our one-stop service platform, which diversifies and broadens our sources of revenue.

In June 2017, we established a strategic alliance with Greenland Holdings, and acquired Greenland Property Services from Greenland Holdings. We will strategically cooperate with Greenland Holdings in the fields, including property management, community value-added services, advertising, property agency and home inspection services, in an effort to jointly build a national first-class comprehensive resident service platform which reaches international standards.

Business Development Milestones

The following events set forth the key milestones in the history of our business development:

Year	Events
1997	Our Company was established in Zhongshan, Guangdong province and had started to provide property management services to the real estate projects developed by Agile Group in Zhongshan, Guangdong province in 1993
1999	Our Company was accredited with ISO9001 quality management system certification
2000	We expanded our property management services to properties in Guangzhou, Guangdong province
2001	Our Company became one of the first batch of property management companies awarded with Level One qualification certificate (一級資質認證)
2006	We expanded our property management services to properties in Xi'an, Chengdu and Nanjing and started to expand business across China
2008	We started to provide property management services to Hainan Clear Water Bay project (海南清水灣項目) which is the first vacation property project under our management
2012	Our Company was accredited with ISO 9001:2008 quality management system certification, ISO14001:2004 environmental management system certification and OHSAS18000:2007 occupational health and safety management system certification
2014	We started to provide property management services to vacation properties developed by Agile Group in Yunnan province
2016	Our Company was elected as the rotating chairman of the Property Management (Quality Residence) Enterprise Alliance (物業管理（品質住宅）企業聯盟)
	Our Company started the one-stop service platform in selected properties in July 2016
2017	We were ranked 12th among the property management companies in China in terms of brand value and overall strength by China Real Estate Industry Association and China Real Estate Appraisal Center.
	Our Company was ranked 13th out of the Top 100 National Property Management Companies (全國百强物業管理企業)
	Our Company acquired Greenland Property Services from, and established a strategic alliance with, Greenland Holdings
	We commenced to provide home inspection services and property agency services
	Our Company was recognized as "2017 China Leading Property Management Companies in terms of Specialty Services—Leading Brand in Vacation Property Management" (2017中國特色物業服務領先企業—旅遊地產物業管理領先品牌)

OUR CORPORATE DEVELOPMENT

Our Company

Our Company was established in the PRC on June 26, 1997 with an initial registered capital of RMB300,000. Upon establishment, the equity interest in our Company was held as to

(i) 33.33% by Mr. Chan Cheuk Hei (陳卓喜) (brother of Mr. Chan Cheuk Hung), (ii) 33.33% by Ms. Luk Sin Fong, Fion (spouse of Mr. Chen Zhuo Lin), (iii) 16.67% by Mr. Chan Cheuk Yin (陳卓賢) (brother of Mr. Chan Cheuk Hung), and (iv) 16.67% by Ms. Luk Lai Hing (陸麗卿) (sister of Ms. Luk Sin Fong, Fion). Our Company has been engaged in the provision of property management services since our establishment.

Subsequent to a number of increases in registered capital and transfers of equity interests, our Company became wholly-owned by Deluxe Star, one of our Controlling Shareholders since May 2008 pursuant to an acquisition of its then sole shareholder (namely Makel International, one of our Controlling Sharheolders) at a consideration of RMB30,000,000 which was settled by the allotment of one share in Deluxe Star to Makel International); and our registered capital became RMB50,000,000 since June 2010, which subsisted immediately prior to the commencement of the Reorganization.

Our Major Operating Group Companies

The major corporate developments of members of our Group (except for our Company) which were material to our performance during the Track Record Period are set out below:

Hainan Agile

Hainan Agile was established in the PRC on April 20, 2010 with an initial registered capital of RMB2,000,000 and is principally engaged in the provision of property management services in Sanya, Hainan province. As of the date of its establishment, Hainan Agile was owned as to 50% by Hainan Agile Real Estate Development Co., Ltd. (海南雅居樂房地產開發有限公司) ("**Hainan Real Estate**") and 50% by Hainan Yaheng Real Estate Development Co., Ltd. (海南雅恆房地產發展有限公司) ("**Hainan Yaheng**"). Each of Hainan Real Estate and Hainan Yaheng is a non-wholly-owned subsidiary of Agile Holdings.

In October 2012, the registered capital of Hainan Agile was increased from RMB2,000,000 to RMB3,000,000 and the shareholding percentage of each of Hainan Real Estate and Hainan Yaheng remained unchanged subsequent to such increase of registered capital.

As part of the Reorganization, Hainan Agile became a wholly-owned subsidiary of our Company pursuant to the Reorganization. For further details, please refer to the paragraph entitled "—Reorganization" below in this section.

Shanghai Harrogate

Shanghai Harrogate was established in the PRC on September 9, 2011 with an initial registered capital of RMB5,000,000 and is principally engaged in the provision of property management services in Shanghai. As of the date of its establishment, Shanghai Harrogate was wholly-owned by Concept Master Limited, a wholly-owned subsidiary of Agile Holdings.

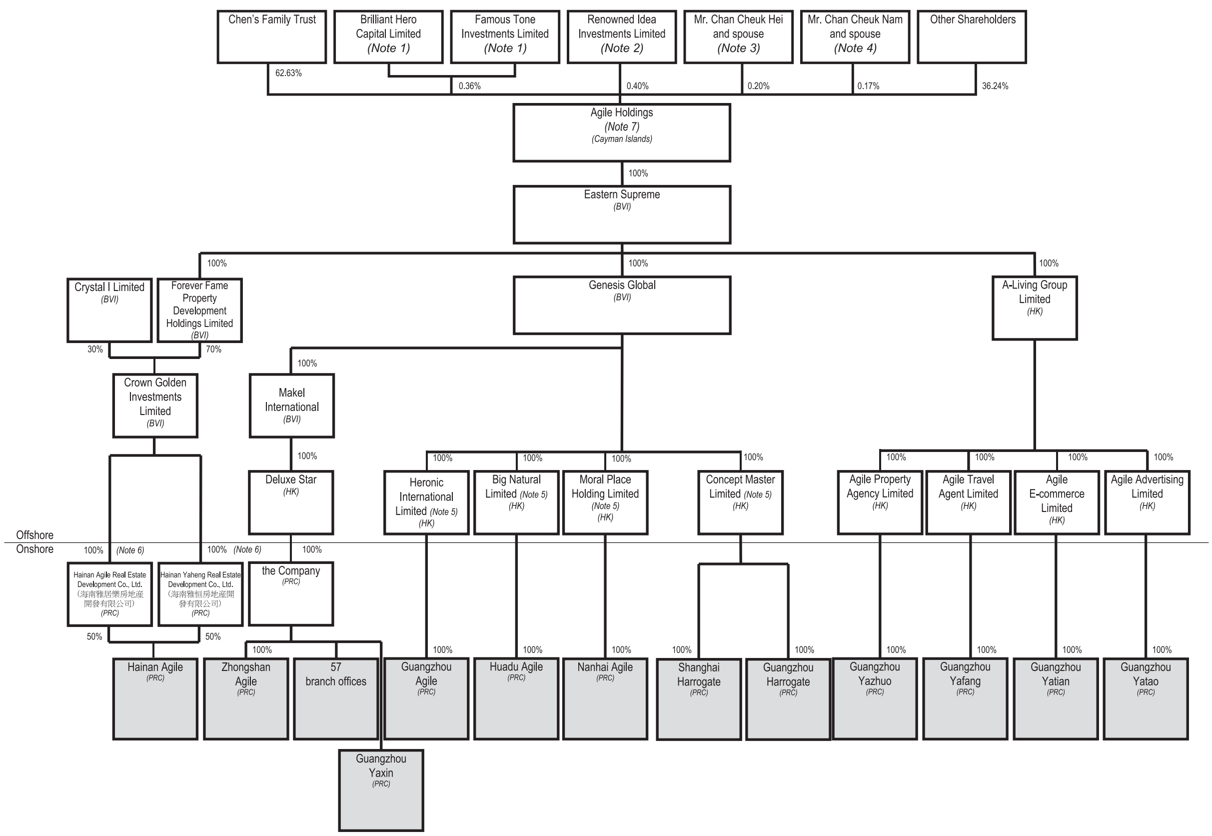
Nanhai Agile

Nanhai Agile was established in the PRC on September 20, 2002 with an initial registered capital of RMB500,000 and is principally engaged in property management services in Foshan, Guangdong province. As of the date of its establishment, Nanhai Agile was owned as to 80% by Foshan Nanhai Agile Real Estate Co., Ltd. (佛山市南海區雅居樂房地產有限公司), a wholly-owned subsidiary of Agile Holdings, and 20% by Ms. Chan Siu Na (陳小娜), the spouse of Mr. Chan Cheuk Nam, one of our Controlling Shareholders.

Subsequent to a number of increases in registered capital and transfers of equity interests, Nanhai Agile became wholly-owned by Moral Place Holdings Limited ("**Moral Place**"), a wholly-owned subsidiary of Agile Holdings, since January 2008 pursuant to an acquisition of the entire equity interest of Nanhai Agile from its then sole shareholder (namely Everton International Limited, a wholly-owned subsidiary of Agile Holdings) at a consideration of RMB3,000,000; and the registered capital of Nanhai Agile became RMB5,000,000 since December 2010, which subsisted immediately prior to the commencement of the Reorganization.

REORGANIZATION

The following diagram illustrates our shareholding structure before the Reorganization:



Notes:

1. Brilliant Hero Capital Limited and Famous Tone Investments Limited are jointly controlled by Mr. Chen Zhuo Lin and Ms. Luk Sin Fong, Fion.

2. Renowned Idea Investments Limited is wholly-owned by Mr. Chan Cheuk Yin.

3. Such shareholding is jointly held by Mr. Chan Cheuk Hei and his spouse, Ms. Lu Yanping.

4. Such shareholding is jointly held by Mr. Chan Cheuk Nam and his spouse, Ms. Chan Siu Na.

5. Each of Heronic International Limited, Big Natural Limited, Moral Place Holdings Limited and Concept Master Limited is indirectly wholly-owned by Genesis Global.

6. Hainan Agile Real Estate Development Co., Ltd. (海南雅居樂房地產開發有限公司), and Hainan Yaheng Real Estate Development Co., Ltd. (海南雅恒房地產發展有限公司), which in turn is wholly-owned by Crown Golden Investments Limited, now known as Hainan Clearwater Bay Holdings Limited (海南清水灣控股有限公司).

7. 0.04% of the equity interest was owned by Mr. Huang Fengchao, a Director of our Company, and 62.63% of the equity interest was owned by Mr. Chan Cheuk Hung, a Director of our Company, as a beneficiary of Chen's Family Trust.

Establishment of Zhongshan A-Living and equity transfer of our Company

Zhongshan A-Living was established in the PRC on June 2, 2017 with an initial registered capital of RMB1,000,000. Since its establishment, Zhognshan A-Living has been wholly-owned by Deluxe Star, a wholly-owned subsidiary of Agile Holdings.

Zhongshan A-Living entered into an equity transfer agreement with Deluxe Star, pursuant to which Deluxe Star transferred 99% of the equity interest in our Company to Zhongshan A-Living for a consideration of RMB300,950,000 on June 20, 2017. The consideration was determined on an arm's length basis with reference to the net asset value of our Company as of March 31, 2017. For the purpose of settlement of the consideration, the registered capital of Zhongshan A-Living was increased from RMB1,000,000 to RMB300,000,000. The additional capital of RMB299,000,000 was contributed by transfer of 99% of the equity interest in our Company to Zhongshan A-Living by Deluxe Star.

Equity transfers of the PRC subsidiaries

(1) Guangzhou Agile

On June 30, 2017, our Company entered into an equity transfer agreement with Heronic International Limited, a wholly-owned subsidiary of Agile Holdings, pursuant to which our Company agreed to acquire from Heronic International Limited the entire equity interest of Guangzhou Agile for a total consideration of RMB1,000,000, which was determined based on the then registered capital of Guangzhou Agile and was fully paid on September 4, 2017. Upon completion of such transfer, Guangzhou Agile became a wholly-owned subsidiary of our Company. Guangzhou Agile is principally engaged in the provision of property management services in Guangzhou, Guangdong province.

(2) Huadu Agile

On June 30, 2017, our Company entered into an equity transfer agreement with Big Natural Limited, a wholly-owned subsidiary of Agile Holdings, pursuant to which our Company agreed to acquire from Big Natural Limited the entire equity interest of Huadu Agile for a total consideration of RMB3,464,715, which was determined based on the net asset value of Huadu Agile as of May 31, 2017 and was fully paid on September 8, 2017. Upon completion of such transfer, Huadu Agile became a wholly-owned subsidiary of our Company. Huadu Agile is principally engaged in the provision of property management services in Guangzhou, Guangdong province.

(3) Nanhai Agile

On June 25, 2017, our Company entered into an equity transfer agreement with Moral Place, a wholly-owned subsidiary of Agile Holdings, pursuant to which our Company agreed to acquire from Moral Place the entire equity interest of Nanhai Agile for a total consideration of RMB5,000,000, which was determined based on the then registered capital of Nanhai Agile and was fully paid on September 4, 2017. Upon completion of such transfer, Nanhai Agile became a wholly-owned subsidiary of our Company. Nanhai Agile is principally engaged in the provision of property management services in Foshan, Guangdong province.

(4) Shanghai Harrogate and Guangzhou Harrogate

On June 30, 2017, our Company entered into equity transfer agreements with Concept Master Limited, a wholly-owned subsidiary of Agile Holdings, pursuant to which our Company agreed to acquire from Concept Master Limited the entire equity interest of Shanghai Harrogate and Guangzhou Harrogate for a total consideration of RMB5,707,258 and RMB1,000,000, respectively. Such considerations were determined based on the net asset value of Shanghai Harrogate as of May 31, 2017 and the then registered capital of Guangzhou Harrogate and were fully paid on September 4, 2017 and August 30, 2017, respectively. Upon completion of such transfers, each of Shanghai Harrogate and Guangzhou Harrogate became a wholly-owned subsidiary of our Company. Each of Shanghai Harrogate and Guangzhou Harrogate is engaged in the provision of property management services in Shanghai and Guangzhou, Guangdong province, respectively.

(5) Guangzhou Yazhuo

On June 30, 2017, our Company entered into an equity transfer agreement with Agile Property Agency Limited, a wholly-owned subsidiary of Agile Holdings, pursuant to which our Company agreed to acquire from Agile Property Agency Limited the entire equity interest of Guangzhou Yazhuo for a total consideration of RMB1,000,000, which was determined based on the then registered capital of Guangzhou Yazhuo and was fully paid on August 25, 2017. Upon completion of such transfer, Guangzhou Yazhuo became a wholly-owned subsidiary of our Company. Guangzhou Yazhuo is principally engaged in the provision of marketing and sales services for properties developed by the property developers.

Guangzhou Yazhuo was established on July 11, 2016. During December 31, 2016 to June 16, 2017, Guangzhou Yazhuo's main business was to receive service fees from potential property purchasers on their behalf and to pay such fees to designated third parties who assisted in the marketing of the properties. As such fees were merely received and paid out on behalf of third parties, none of such fees were recognized as revenue and/or expenses of Guangzhou Yazhuo. After a business review, such activities were discontinued from June 16, 2017 before Guangzhou Yazhuo became a member of our Group.

(6) Guangzhou Yafang

On June 30, 2017, our Company entered into an equity transfer agreement with Agile Travel Agency Limited, a wholly-owned subsidiary of Agile Holdings, pursuant to which our Company agreed to acquire from Agile Travel Agency Limited the entire equity interest of Guangzhou Yafang for a total consideration of RMB1,000,000, which was determined based on the then registered capital of Guangzhou Yafang and was fully paid on September 8, 2017. Upon completion of such transfer, Guangzhou Yafang is a wholly-owned subsidiary of our Company. Guangzhou Yafang is principally engaged in the provision of tourism agency related services.

(7) Guangzhou Yatian

On June 30, 2017, our Company entered into an equity transfer agreement with Agile E-Commerce Limited, a wholly-owned subsidiary of Agile Holdings, pursuant to which our Company agreed to acquire from Agile E-Commerce Limited the entire equity interest of

Guangzhou Yatian, for a total consideration of RMB10,000,000, which was determined based on the then registered capital of Guangzhou Yatian, and was fully paid on September 8, 2017. Upon completion of such transfer, Guangzhou Yatian became a wholly-owned subsidiary of our Company. Guangzhou Yatian is principally engaged in providing internet technology and application support for our property management services.

(8) Guangzhou Yatao

On June 30, 2017, our Company entered into an equity transfer agreement with Agile Advertising Limited, a wholly-owned subsidiary of Agile Holdings, pursuant to which our Company agreed to acquire from Agile Advertising Limited the entire equity interest of Guangzhou Yatao for a total consideration of RMB1,000,000, which was determined based on the then registered capital of Guangzhou Yatao and was fully paid on September 4, 2017. Upon completion of such transfer, Guangzhou Yatao became a wholly-owned subsidiary of our Company. Guangzhou Yatao is principally engaged in advertisement design and providing public relation services.

(9) Hainan Agile

Our Company entered into an equity transfer agreement with Hainan Real Estate and Hainan Yaheng on July 28, 2017. Pursuant to the agreement, our Company acquired 50% of the equity interest held by Hainan Real Estate and 50% of the equity interest held by Hainan Yaheng in Hainan Agile for a total consideration of RMB4,600,000, which was determined on an arm's length basis with reference to the net asset value of Hainan Agile as of June 30, 2017 and was fully paid in cash by our Company on August 21, 2017. The equity transfer was completed on August 9, 2017 and Hainan Agile became a wholly-owned subsidiary of our Company.

Acquisition of the equity interest in Greenland Property Services

On June 29, 2017, our Company entered into an equity transfer agreement with Greenland Holding Group (綠地控股集團有限公司) and Greenland Holdings. Pursuant to the agreement, our Company acquired 90.9091% of the equity interest held by Greenland Holding Group and 9.0909% of the equity interest held by Greenland Holdings in Greenland Property Services for a total consideration of RMB1,000,000,000, which was determined after arm's length negotiations taking into account the prospect of the business cooperation between Greenland Holdings and our Company. Pursuant to the terms and conditions of the agreement, the acquisition of Greenland Property Services was completed on June 30, 2017 upon the payment of 51% of the total consideration. The remaining 49% of the total consideration was paid on August 10, 2017. As advised by our PRC Legal Advisor, the acquisition of the entire equity interest in Greenland Property Services has been completed on June 30, 2017 in accordance with the terms and conditions of the acquisition agreement. Upon completion of the above acquisition, Greenland Property Services became a wholly-owned subsidiary of our Company.

Conversion into a joint stock limited liability company

On July 21, 2017, our Board passed resolutions approving, among other matters, the conversion of our Company from a limited liability company into a joint stock company with limited liability and the change of name of our Company to A-Living Services Co., Ltd. (雅居樂雅生活服務股份有限公司). Pursuant to the promoters' agreement dated July 21, 2017 entered into by all the then existing Shareholders, all promoters approved the conversion of the net asset value of our Company as of June 30, 2017 into 50,000,000 Shares of our Company at a ratio of 1:0.388. On July 21, 2017, our Company convened our inaugural meeting and our first general meeting, and passed related resolutions approving the conversion into a joint stock company, the articles of association and relevant procedures. Upon the completion of the conversion, the share capital of our Company became RMB50,000,000 divided into 50,000,000 Shares with a nominal value of RMB1.00 each, where Zhongshan A-Living held 49,500,000 Shares, representing 99% of the share capital of our Company and Deluxe Star held 500,000 Shares, representing 1% of the share capital of our Company. The conversion was completed on July 21, 2017 when our Company obtained a new business licence.

Increase of share capital of our Company from RMB50,000,000 to RMB100,000,000

On July 24, 2017, our Company passed a resolution at extraordinary general meeting to increase the share capital of our Company from RMB50,000,000 to RMB72,000,000. Among the additional 22,000,000 Shares, 220,000 Shares and 21,780,000 Shares were issued to Deluxe Star and Zhongshan A-Living, respectively by way of conversion of our Company's capital reserve into share capital.

On July 26, 2017, our Company and Gongqingcheng Investment entered into a capital increase agreement, pursuant to which Gongqingcheng Investment agreed to subscribe for 8,000,000 Shares by way of capital injection in our Company of RMB200,000,000. The amount of such capital injection was paid up on July 31, 2017. For details of the background of Gongqingcheng Investment, please refer to the paragraph "—Pre-IPO Investments—Investment by Gongqingcheng Investment" in this section.

On August 10, 2017, our Company, Deluxe Star and Zhongshan A-Living entered into respective capital increase agreements with each of Ningbo Lvjin and Greenland Overseas, pursuant to which Ningbo Lvjin and Greenland Overseas agreed to subscribe for 10,000,000 Shares and 10,000,000 Shares respectively at a subscription price of RMB500,000,000 and RMB500,000,000 (equivalent to HK$584,795,322 based on an exchange rate of HK$1.00 to RMB0.8550), respectively. The payment for the subscriptions was completed on August 11, 2017 and August 15, 2017, respectively. For details of the investment made by Gongqingcheng Investment, Greenland Overseas and Ningbo Lvjin, please refer to "—Pre-IPO Investment" in this section.

Upon completion of the increase of registered capital of our Company, our Company became owned as to 71.28% by Zhongshan A-Living, 10% by Greenland Overseas, 10% by Ningbo Lvjin, 8% by Gongqingcheng Investment and 0.72% by Deluxe Star.

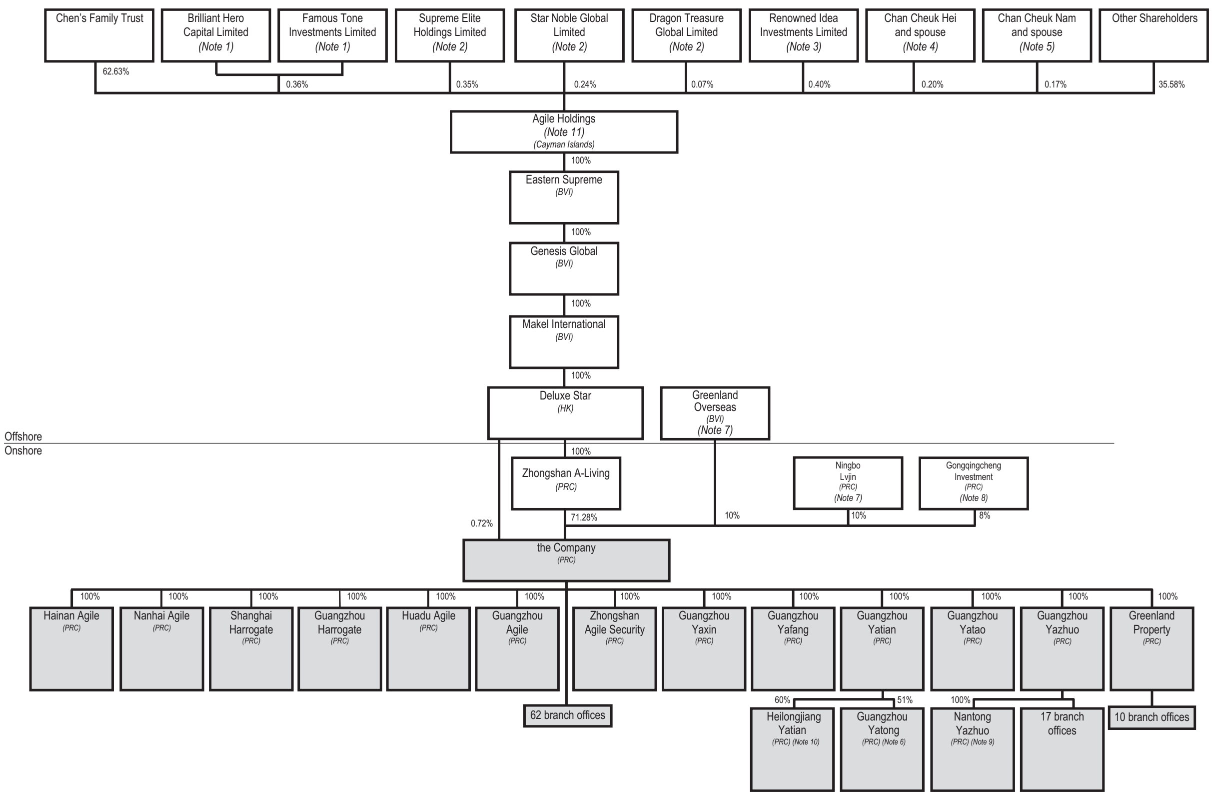
Increase of registered capital of our Company from RMB100,000,000 to RMB1,000,000,000

On August 21, 2017, our Company passed a resolution at extraordinary general meeting to increase the registered capital of our Company from RMB100,000,000 to RMB1,000,000,000. The increased portion was converted from the capital reserve of our Company and the shareholding structure of our Company remained unchanged subsequent to such increase in registered capital.

Our PRC Legal Advisor has confirmed that all necessary filings and registrations from the relevant PRC authorities in respect of the Reorganization have been obtained and completed as of the Latest Practicable Date.

Our Group's Shareholding Structure After the Reorganization

The following diagram illustrates our shareholding structure after the Reorganization and immediately prior to the Global Offering:



Notes:

1. Brilliant Hero Capital Limited and Famous Tone Investments Limited are jointly controlled by Mr. Chen Zhuo Lin and Ms. Luk Sin Fong, Fion.

2. Supreme Elite Holdings Limited, Star Noble Global Limited and Dragon Treasure Global Limited are wholly-owned by Mr. Chen Zhuo Lin.

3. Renowned Idea Investments Limited is wholly-owned by Mr. Chan Cheuk Yin.

4. Such shareholding is jointly held by Mr. Chan Cheuk Hei and his spouse, Ms. Lu Yanping.

5. Such shareholding is jointly held by Mr. Chan Cheuk Nam and his spouse, Ms. Chan Siu Na.

6. Guangzhou Yatong was established in the PRC on July 5, 2017 and is principally engaged in the provision of solutions for parking management. The remaining 49% equity interest in Guangzhou Yatong is owned by Beijing Tongtong Yilian Technology Co., Ltd. (北京通通易聯科技有限公司), an Independent Third Party.

7. Each of Greenland Overseas and Ningbo Lvjin is an indirectly wholly-owned subsidiary of Greenland Financial Holdings Group Co., Ltd. (綠地金融投資控股集團有限公司), which is indirectly wholly owned by Greenland Holdings.

8. The limited partners of Gongqingcheng Investment are two of our executive Directors, Mr. Liu Deming and Mr. Feng Xin and one of our senior management, Mr. Li Dalong. Mr. Liu Deming, Mr. Feng Xin, Mr. Li Dalong and Gongqingcheng Yagao Investment Management Co., Ltd. ("**Gongqingcheng Yagao**") are entitled to 49.9%, 25%, 25% and 0.1% interest of Gongqingcheng Investment, respectively.

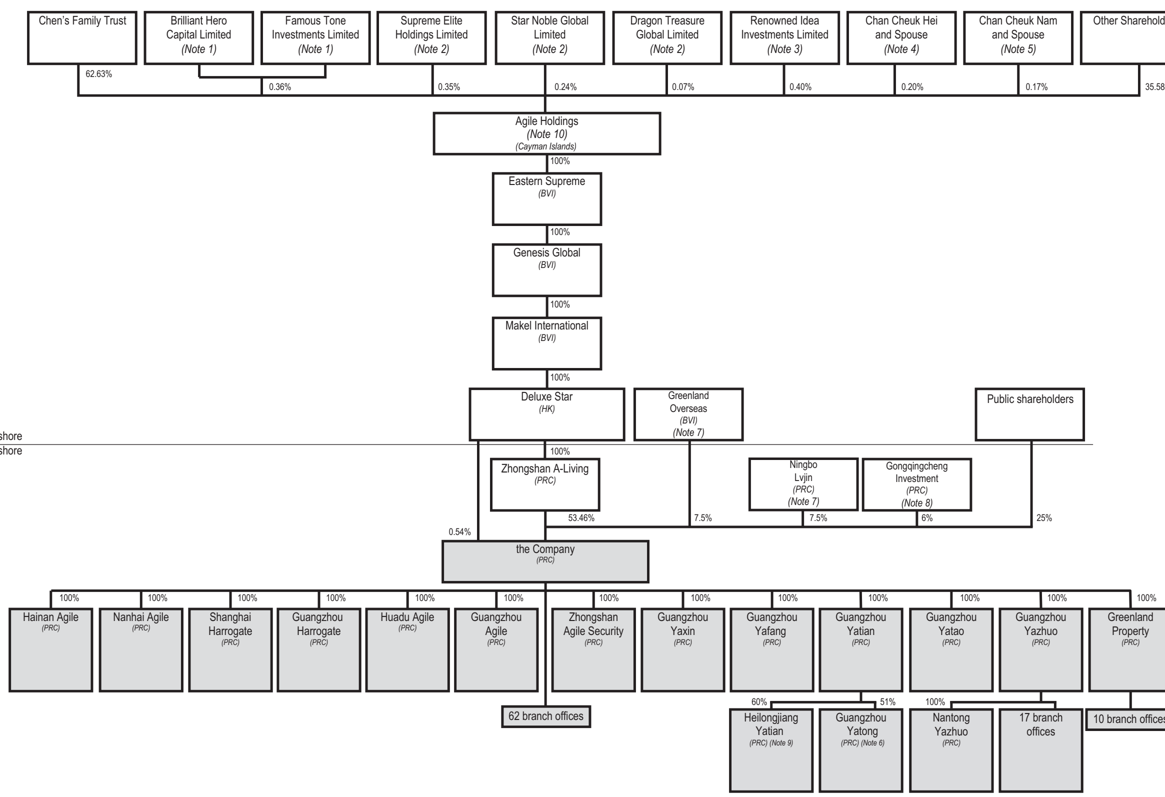
9. Nantong Yazhuo was established in the PRC on August 8, 2017 and is principally engaged in providing sales services to the property developers.

10. Heilongjiang Yatian was established in the PRC on September 29, 2017 and is principally engaged in the provision of software engineering services in Heilongjiang province. The remaining 40% equity interest in Heilongjiang Yatian is owned by eight Independent Third Parties.

11. 0.04% of the equity interest was owned by Mr. Huang Fengchao, a Director of our Company, and 62.63% of the equity interest was owned by Mr. Chan Cheuk Hung, a Director of our Company, as a beneficiary of Chen's Family Trust.

Our Group's Shareholding Structure After the Global Offering

The following diagram illustrates our shareholding structure immediately following the Global Offering (assuming the Over-allotment Option is not exercised):



Notes:

1. Brilliant Hero Capital Limited and Famous Tone Investments Limited are jointly controlled by Mr. Chen Zhuo Lin and Ms. Luk Sin Fong, Fion.

2. Supreme Elite Holdings Limited, Star Noble Global Limited and Dragon Treasure Global Limited are wholly-owned by Mr. Chen Zhuo Lin.

3. Renowned Idea Investments Limited is wholly-owned by Mr. Chan Cheuk Yin.

4. Such shareholding is jointly held by Mr. Chan Cheuk Hei and his spouse, Ms. Lu Yanping.

5. Such shareholding is jointly held by Mr. Chan Cheuk Nam and his spouse, Ms. Chan Siu Na.

6. The remaining 49% equity interest in Guangzhou Yatong is owned by Beijing Tongtong Yilian Technology Co., Ltd. (北京通通易聯科技有限公司), an Independent Third Party.

7. Each of Greenland Overseas and Ningbo Lvjin is an indirectly wholly-owned subsidiary of Greenland Financial Holdings Group Co., Ltd. (綠地金融投資控股集團有限公司), which is indirectly wholly owned by Greenland Holdings.

8. The Limited partners of Gongqingcheng Investment are two of our executive Directors, Mr. Liu Deming and Mr. Feng Xin and one of our senior management, Mr. Li Dalong. Mr. Liu Deming, Mr. Feng Xin, Mr. Li Dalong and Gongqingcheng Yagao are entitled to 49.9%, 25%, 25%, 0.1% interest of Gongqingcheng Investment, respectively.

9. The remaining 40% equity interest in Heilongjiang Yatian is owned by eight Independent Third Parties.

10. 0.04% of the equity interest was owned by Mr. Huang Fengchao, a Director of our Company, and 62.63% of the equity interest was owned by Mr. Chan Cheuk Hung, a Director of our Company, as a beneficiary of Chen's Family Trust.

PRE-IPO INVESTMENTS

Investment by Gongqingcheng Investment

On July 26, 2017, Gongqingcheng Investment entered into a capital increase agreement with Deluxe Star, Zhongshan A-Living and our Company pursuant to which Gongqingcheng Investment agreed to invest in our Company by way of capital injection to our Company.

Gongqingcheng Investment was established on July 12, 2017, pursuant to a limited partnership agreement dated July 5, 2017 among Gongqingcheng Yagao, Mr. Liu Deming (劉德明), Mr. Feng Xin (馮欣) and Mr. Li Dalong (李大龍). Pursuant to such agreement (together with its supplemental agreement), Gongqingcheng Yagao (as general partner), Mr. Liu Deming, Mr. Feng Xin and Mr. Li Dalong (as limited partners) agreed to establish Gongqingcheng Investment to carry out project investment. Gongqingcheng Investment has a total capital commitment of RMB10,000,000, among which Gongqingcheng Yagao, Mr. Liu Deming, Mr. Feng Xin and Mr. Li Dalong should contribute RMB10,000, RMB4,990,000, RMB2,500,000 and RMB2,500,000 in cash, respectively. Gongqingcheng Yagao is a limited liability company which is owned by Mr. Pan Zhiyong (潘智勇), a member of the senior management of Agile Holdings. Mr. Liu Deming and Mr. Fengxin are our executive Directors and Mr. Li Dalong is a member of our senior management. As of the Latest Practicable Date, all contributions had been paid up. Pursuant to the limited partnership agreement, Gongqingcheng Yagao, the sole general partner, controls and manages Gongqingcheng Investment at its own discretion. The limited partners do not involve in the management or decision making of Gongqingcheng Investment. Given each of Mr. Pan Zhiyong and Gongqingcheng Yagao is not a connected person of our Group and Gongqingcheng Investment will hold 8% of the total issued share capital of our Company upon the Listing (assuming the Over-allotment Option is not exercised), Gongqingcheng Investment is not a connected person of our Company.

Set out below is a summary of the details of the pre-IPO investment by Gongqingcheng Investment by way of capital injection to our Company:

Name of investor:	Gongqingcheng Investment
Date of capital increase agreement:	July 26, 2017
Amount of capital injection:	RMB200,000,000
Number of Shares subscribed for:	8,000,000 Shares (representing approximately 8% of the then enlarged issued share capital of our Company)

Basis of determination of capital injection amount:	Based on the fair value of our Group as of December 31, 2016 as ascertained by our Directors.
Capital injection date:	July 31, 2017(1)
Investment cost per share and discount over mid-point of the Offer Price Range (assuming no exercise of the Over-allotment Option):	Approximately RMB2.5 per Share (equivalent to approximately HK$3.0 per Share), representing a discount of approximately 76.0% to the mid-point of the Offer Price Range of HK$10.80 to HK$14.20
Use of proceeds:	For supplementing the working capital of our Group spent prior to the pre-IPO investment on the settlement of amounts payable arising from expansion of our business operations and corporate acquisitions.
Strategic benefits:	Such investment as part of an incentive plan for certain members of the management of the Group would increase the morale of the participating members and their loyalty to our Group
Lock-up:	Pursuant to the applicable PRC Laws, within the 12 months following the Listing Date, Gongqingcheng Investment could not dispose of any of the Shares held by it
Public float:	The Shares held by Gongqingcheng Investment will not be considered as part of the public float as the Shares are Domestic Shares which will not be converted into H Shares and listed following the completion of the Global Offering

Note:

1. RMB190,000,000 of the amount of the capital injection was lent by Zhongshan A-Living, one of our Controlling Shareholders, to Gongqingcheng Investment on normal commercial terms.

Investment by Ningbo Lvjin and Greenland Overseas

Subsequent to an investment cooperation framework agreement dated June 27, 2017 among our Company, Agile Holdings and Greenland Holdings, on August 10, 2017, with a view to establishing a strategic alliance between our Group and Greenland Holdings which would mutually benefit both groups, each of Greenland Overseas and Ningbo Lvjin entered into a capital increase agreement with Deluxe Star, Zhongshan A-Living and our Company respectively, pursuant to which each of Greenland Overseas and Ningbo Lvjin agreed to invest in our Company by way of a capital injection into our Company.

Each of Greenland Overseas and Ningbo Lvjin is an indirectly wholly-owned subsidiary of Greenland Holdings, which is principally engaged in investment business. Greenland Holdings was established on July 18, 1992 and its registered capital was RMB12,168,154,385 as of the Latest Practicable Date. Headquartered in Shanghai, Greenland Holdings is a multinational enterprise listed on the Shanghai Stock Exchange (stock code: 600606), which is primarily engaged in real estate development. Greenland Holdings has continuously been ranked among the World Top 500 Enterprises since 2012.

Set out below a summary of the details of the pre-IPO investment by Greenland Overseas and Ningbo Lvjin by way of capital injection to our Company:

Name of investor:	Greenland Overseas	Ningbo Lvjin
Date of capital increase agreement:	August 10, 2017	August 10, 2017
Amount of capital injection:	RMB500,000,000	RMB500,000,000
No. of Shares subscribed for:	100,000,000 Shares (representing approximately 10% of the then enlarged issued share capital of our Company)	100,000,000 Shares (representing approximately 10% of the then enlarged issued share capital of our Company)
Basis of determination of capital injection amount:	Based on the value of the post-Reorganization structure of our Group as ascertained between the parties	
Capital injection date:	August 15, 2017	August 11, 2017
Investment cost per share and discount over mid-point of the Offer Price Range (assuming no exercise of the Over-allotment option):	Approximately RMB5.0 per Share (equivalent to approximately HK$6.1 per share), representing a discount of approximately 51.2% of the mid-point to the Offer Price Range of HK$10.80 to HK$14.20	
Use of proceeds:	For supplementing the working capital of our Group spent prior to the pre-IPO investment on the settlement of amounts payable arising from expansion of our business operations and corporate acquisitions.	
Strategic benefits:	Such investment will result in a strategic alliance between our Group and the group of companies led by Greenland Holdings which will increase the market portfolio of both groups	
Right of nomination of Director:	Greenland Overseas has the right to nominate a non-executive Director prior to the Listing	Ningbo Lvjin has the right to nominate an executive Director and a supervisor prior to the Listing

Lock-up:	Pursuant to the applicable PRC Laws, within 12 months following the Listing Date, neither Greenland Overseas nor Ningbo Lvjin can dispose of any of the Shares held by it
Public float:	The Shares held by Greenland Overseas and Ningbo Lvjin are not considered as part of the public float as their ultimate holding company Greenland Holdings is our substantial shareholder

As of the Latest Practicable Date, all of the proceeds from Pre-IPO investments had been utilized.

Joint Sponsors' Confirmation

The Joint Sponsors are of the view that the pre-IPO investments made by Greenland Overseas, Ningbo Lvjin and Gongqingcheng Investment are in compliance with the Interim Guidance on Pre-IPO Investments (HKEx-GL29-12) and the Guidance on Pre-IPO investments (HKEx-GL43-12).

The Offering of A Shares

We plan to conduct the offering of A shares at an appropriate time after the Global Offering. As of the Latest Practicable Date, we have not determined the size and scope of the contemplated A share offering and have not made any application to any recognized stock exchange in the PRC for approval for the listing of any A shares. There is no assurance we will conduct an A Share Offering in the future.

REASONS FOR THE PROPOSED SPIN-OFF

Pursuant to the Listing Rules and in accordance with the corporate structure and ownership of our Company, the Listing of our Company will constitute a spin-off of Agile Holdings (the "**Proposed Spin-off**").

The board of directors of Agile Holdings considers that the Proposed Spin-off is in the interests of Agile Holdings and the shareholders of Agile Holdings taken as a whole based on the following reasons:

(a) the Proposed Spin-off will enable us to build our identity as a separately listed group, and have a separate fund-raising platform; the Proposed Spin-off would allow us to gain direct access to the capital markets for equity and/or debt financing to fund our existing operations and future expansion, thereby accelerating our expansion and improving our operating and financial performance, which will in turn result in better financial return to the shareholders of both the Parent Group and our Group;

(b) as a separately listed group, we will be able to build on our reputation further and be in a better position to negotiate and solicit more business, and Agile Holdings will in turn be able to benefit from our growth through its shareholding in our Group;

(c) the Proposed Spin-off will enable us to enhance our corporate profile, thereby increasing our ability to attract strategic investors, which could provide synergy for us, for investment in and forming strategic partnerships directly with us; and

(d) the Proposed Spin-off would enable a more focused development, strategic planning and better allocation of resources for the Parent Group and our Group with respect to our respective businesses; both the Parent Group and our Group would benefit from the efficient decision-making process under the separate management structure for taking emerging business opportunities, especially with a dedicated management team for our Group to focus on its development.

The Proposed Spin-off by Agile Holdings complies with the requirements of Practice Note 15 of the Listing Rules.

Overview

We are a reputable property management service provider in China focusing on mid- to high-end properties. In June 2017, we acquired Greenland Property Services, and, in August 2017, brought in Greenland Holdings as one of our strategic shareholders. Supported by Agile Group and Greenland Holdings, two industry leaders in property development, we operate under the two renowned brands, "雅居樂物業 (Agile Property Management)" and "綠地物業 (Greenland Property Services)." Our business covers a wide range of properties and provides customers with access to tailored quality services through a variety of channels, including our one-stop service platform.

We have provided property management services in China for almost 25 years and our extensive industry experience differentiates us from our competitors. In 2017, we were ranked 12th among the property management companies in China in terms of brand value and overall strength by China Real Estate Industry Association and China Real Estate Appraisal Center. In 2017, we were ranked 13th among the Top 100 Property Management Companies in terms of overall strength according to CIA. As of September 30, 2017, we provided property management services in 65 cities in China with a total GFA under management of approximately 76.2 million sq.m., and served more than one million property owners and residents.

We are committed to building "雅居樂物業 (Agile Property Management)" into a leading brand in China's vacation property management industry. According to the CIA report, we were ranked first among the Top 100 Property Management Companies in terms of the total contracted GFA of vacation properties of 14.3 million sq.m. as of December 31, 2016. As of September 30, 2017, we provided management services for 17 vacation properties at various areas with development potential in Guangdong, Hainan, Yunnan and Hunan with a total GFA under management of approximately 5.6 million sq.m.

Our three business lines, namely, property management services, value-added services to non-property owners and value-added services to property owners, form an integrated service spectrum covering the entire value chain of property management.

- *Property management services* — We provide a wide range of property management services to property developers, property owners and residents and other property management companies, including, among others, security, cleaning, greening and gardening and repairs and maintenance services, with a focus on mid- to high-end residential properties (including vacation properties) and non-residential properties (including commercial properties, office buildings and multi-purpose complexes). We also provide consultancy services to local property management companies. We charge property management fees for property management services primarily on a lump sum basis, with a very small portion on a commission basis.

- *Value-added services to non-property owners* — We offer non-property owners (mainly property developers) a wide range of value-added services. For example, we provide property developers with sales assistance services (including visitor reception, display unit cleaning, security and maintenance, preliminary planning and design consultancy services) as well as advertising, property agency and home inspection services.

- *Value-added services to property owners* — We provide two types of value-added services, namely, resident services and property value management services, to property owners and residents. Our resident services include housekeeping, housing and shop brokerage, turnkey furnishing, smart home services, community travel agency and other bespoke professional services, leveraging offline property management services and online integrated one-stop service platform. Our property value management services focus on preserving and increasing the value of our property owners' assets, such as parking space sales and arranging residential property leases.

Aiming to provide a wide assortment of lifestyle products and services and taking advantage of the increasing penetration and convenience of smart phones, we launched a one-stop service platform in May 2016 that integrates key mobile applications, including "A-Steward" (雅管家), "A-Business" (雅商家) and "A-Assistant" (雅助手), as well as "A-Steward" Wechat Public Account and offline services, including A-Living Experience Center (雅生活體驗中心). As of September 30, 2017, our "A-Steward" mobile application covered all of the residential properties under our management (other than those under Greenland Property Services' management), and attracted more than 238,900 registered users and over 98,600 active users (being registered users who open the application at least once a calendar month). See "—Our One-Stop Service Platform" below for more details.

As a result of our efficient operation and quality services, our business grew steadily during the Track Record Period. In 2014, 2015 and 2016, our revenue was RMB826.1 million, RMB934.4 million and RMB1,244.7 million, respectively, representing a CAGR of 22.7%. In the nine months ended September 30, 2017, our revenue was RMB1,168.9 million, representing an increase of 34.1% as compared with the same period of 2016. In 2014, 2015 and 2016, our net profit was RMB46.7 million, RMB72.0 million and RMB169.0 million, respectively, representing a CAGR of 90.2%. In the nine months ended September 30, 2017, our net profit was RMB201.0 million, representing an increase of 57.5% as compared with the same period of 2016.

COMPETITIVE STRENGTHS

We believe the following strengths differentiate us from our competitors.

A first-mover with a competitive market position in the property management industry in China

We have been a property management service provider in China for approximately 25 years. We obtained the ISO9000 quality management system certification in 1999. In 2001, we became one of the first property management companies in China that obtained a Level One Property Management Qualification, the highest qualification level in China's property management industry. In 2008, we began to provide property management services for the Hainan Clear Water Bay project which started our vacation property management business in China. We established internal service standard for vacation property management, and we are the only property management company invited by the Standardization Working Committee of China Property Management Association to draft the industry standards for vacation property management. We believe our participation in the development of industry standards for property management in China is a testament to our property management capabilities and our focus on service quality.

As a pioneer in China's property management services industry, we continue to expand our business scale and improve the range and quality of our services through various measures (including via our one-stop service platform), aiming to provide a more convenient, efficient and comfortable community living experience to our property owners and residents. As of September 30, 2017, we had 118 branch offices and 23 regional offices (including nine regional offices of Greenland Property Services), covering 65 cities across China with a total GFA under management of approximately 76.2 million sq.m. As of the same date, more than 200 benchmark projects were at or above relevant provincial model standards through our management, and we provided services to more than one million owners and residents. Through the acquisition of Greenland Property Services in June 2017, we entered Jinan, Wuhan, Hangzhou, Shijiazhuang and Dongguan and strengthened our presence in the existing markets of Shanghai, Beijing and Guangdong. As a result of the acquisition, our total GFA under management increased by 2.0 million sq.m. to 76.2 million sq.m. as of September 30, 2017.

Our competitive market position is also evidenced by our numerous industry accolades. In 1995, our Zhongshan Agile Garden Community was awarded the "National Model Residential Community of Urban Property Management" by the Ministry of Housing and Urban-Rural Development of China. In 2017, we were ranked 12th among the property management companies in China in terms of brand value and overall strength by China Real Estate Industry Association and China Real Estate Appraisal Center. In 2017, we were ranked 13th among the Top 100 Property Management Companies in terms of overall strength by CIA and were elected the third rotating chairman of "Property Management (Quality Residence) Enterprise Alliance" (物業管理(品質住宅)企業聯盟) in 2016. In 2017, we were awarded the "Top 100 Leading PRC Property Management Enterprises in Terms of Service Quality" by CIA. Please refer to "— Awards and Recognition" below for more information about our awards and honors.

Competitiveness enhanced by the support from Agile Group and Greenland Holdings, our two major shareholders

Agile Group, our controlling shareholder, is an integrated conglomerate in China focusing on mid- to high-end property development. Agile Group is also engaged in environmental protection, construction and hotel operations. Our historical relationship with Agile Group has enabled us to become a reputable property management service provider in China with a focus on mid- to high-end properties.

In June 2017, we established a strategic alliance with Greenland Holdings, a Fortune Global 500 Company. We acquired Greenland Property Services in June 2017, and Greenland Holdings has become our long-term strategic shareholder, holding a 20% equity interest in our Company since August 2017. We have agreed to cooperate with Greenland Holdings in areas including property management, community value-added services, advertising, property agency and home inspection.

Our strategic alliance with Greenland Holdings and our association with the two well-known domestic brands, "雅居樂物業 (Agile Property Management)" and "綠地物業 (Greenland Property Services)," are of strategic significance to us in the following aspects:

- *Increase in business scale* — we obtained a GFA under management of approximately 1.5 million sq.m through the acquisition of Greenland Property Services, including large high-end commercial complexes such as Wuhan Greenland Center. Greenland Holdings also agrees, to the extent permitted by law, to endeavor to engage us to manage a GFA of not less than 7.0 million sq.m. per annum of properties it develops, and to give us priority when selecting property management service providers for an additional GFA of 3.0 million sq.m. per annum of properties it develops, during the period from January 1, 2018 to December 31, 2022. In addition, according to the investment cooperation framework agreement, Greenland Holdings has agreed to support us in property management and various community value-added services, including community finance, smart home services, elderly care and telemedical services, which will help to diversify our operating revenues.

- *Improvement in market coverage* — Greenland Holdings' property development projects have a national coverage, while our market is mainly concentrated in South China. As a result of our acquisition of Greenland Property Services, we are able to cover more geographic areas. Greenland Holdings has recently successfully entered overseas markets, including the US, the UK, Canada and Australia. We believe the overseas coverage of Greenland Holdings' projects will provide us with opportunities for the international expansion of our property management services, the compliance with international standards and our brand awareness.

- *Enrichment of product portfolio* — The projects developed by Greenland Holdings cover residential and high-rise office buildings, multi-purpose complexes, hotels, business complexes at high-speed rail stations and industrial parks, which will help us to expand our property portfolio, enhance our ability to provide integrated property services and build ourselves into a large comprehensive property management company.

- *Expansion of mid- to high-end customer base* — Greenland Holdings focuses on developing mid- to high-end residential and commercial complexes. We believe that the strategic alliance with Greenland Holdings will enable us to continue to expand our mid- to high-end customer base.

- *Integration of value-added service offerings* — Greenland Holdings devotes significant efforts to other industry sectors, including infrastructure, finance and consumption businesses. Greenland Overseas leverages advantages in both traditional finance and innovative finance to provide comprehensive financial services. Greenland's Consumption Group is developing G-Super, a consumer goods sales network that introduces high quality imported goods from around the world to high-end customers in Chinese cities. Since its establishment two years ago, Greenland's Consumption Group has distributed over 8,000 types of high-quality imported goods from overseas. The introduction of these services through our one-stop service platform will help improve the life experience of property owners and residents and further promote the development of our value-added services to property owners and residents.

Dual-brand strategy of "雅居樂物業 (Agile Property Management)" and "綠地物業 (Greenland Property Services)" standing for excellent service quality and management capabilities

According to the CIA Report, our brand, "Agile Property Management", had a brand value of approximately RMB3 billion as of December 31, 2016. In 2017, we were awarded the "Leading Brand Enterprise for Property Service Operation in China" and "Top 100 Leading PRC Property Management Enterprises in Terms of Service Quality."

In June 2017, we acquired Greenland Property Services and started our strategic alliance with Greenland Holdings. Since then, we adopted a dual-brand, "Agile" and "Greenland," strategy. To leverage Greenland Holdings' market advantage, reputation and resources in the development of residential properties and commercial properties (particularly high-rise office buildings such as the Wuhan Greenland International Financial City) and Agile Property

Management's brand recognition and extensive experience in the management of vacation properties and large-scale residential properties, we are able to build ourselves into a benchmark enterprise in both commercial and residential property management, which would further enhance our brand awareness and scale of business. The dual brand strategy also demonstrates the benefit of having two major shareholders, Agile Group and Greenland Holdings.

We have developed and implemented stringent quality control procedures to ensure that our services adhere to our high quality standards. We have obtained certification from the International Organization for Standardization, namely, ISO9001:2008 quality management system certification, ISO14001:2004 environmental management system certification and OHSAS18000:2007 occupational health and safety management system certification. These certifications are a testament for the compliance with international standards of our service quality and procedures. To ensure our service quality, we have also set stringent standards and procedures for the selection of subcontractors. According to the result of a sample survey conducted by CIA in 2016 regarding the customer satisfaction for our property services in 69 projects nationwide, we received an overall satisfaction score of 81.6, higher than the industry average score of 73.4.

Due to our quality service and wide recognition in the industry, we are able to charge higher property management fees than the industry average and maintain a high contract renewal rate. In 2016, our average property management fee for residential properties was approximately RMB2.94/sq.m./month, while according to the CIA Report, the industry average property management fee for urban residential properties was RMB2.31/sq.m./month in 2016. In 2014, 2015, 2016 and the nine months ended September 30, 2017, our contract renewal rate (being the number of renewed property service contracts in the year divided by the number of property service contracts which expire in the same year) was 100.0%, 100.0%, 98.0% and 98.1%, respectively.

An expert in vacation property management and a pioneer in large-scale property management

We have strived to be a leader in the vacation property management sector in China. Agile Group has strategically and proactively selected well-known tourist destinations (AAAA level and above[(1)]) located in Guangdong, Hainan, Yunnan and Hunan to develop vacation properties. Vacation properties are different from traditional residential projects in that they integrate tourism, residence and recreation purposes. Capitalizing on Agile Group's strength in vacation property development, we have successfully developed a vacation property management business model. We have provided property management services for Hainan Clear Water Bay, a landmark project, since 2008. After almost 10 years of management, we have developed a number of featured services, including property management services for owners who live in their properties, management services for properties for investment purposes as well as custodial services for

Note:

(1) Tourist Attraction Rating Categories of China (旅遊景區質量等級) is a rating system used by the Chinese authorities to determine the quality of the attraction relative to its peers in terms of safety, cleanliness, sanitation and transportation. It is divided into five categories which are A (or 1A, the lowest level), AA (2A), AAA (3A), AAAA (4A) and AAAAA (5A, the highest level).

unoccupied properties. In 2013, Hainan Clear Water Bay Gold Guoling Community (海南清水灣金色果嶺住宅小區) was awarded "National Model Community for Property Management for the Year of 2012" by the Ministry of Housing and Urban-Rural Development of the PRC. Leveraging our experience in Hainan Clear Water Bay, we have replicated the business model to other vacation properties. As of September 30, 2017, we provided management services for 17 vacation property projects at various areas with vacation business development potential in China with a total GFA under management of approximately 5.6 million sq.m. According to the CIA Report, we were ranked first among the Top 100 Property Management Companies in terms of the contracted GFA of vacation properties, of approximately 14.3 million sq.m. as of December 31, 2016.

According to the CIA Report, in 2016, the scores for overall satisfaction for our vacation property management services were ranged from 76 to 91, higher than the industry average of 73.4. In 2014, 2015, 2016 and the nine months ended September 30, 2017, the revenue from vacation property management accounted for approximately 24.9%, 30.2%, 22.3% and 24.2%, respectively, of our total revenue from property management services; and the average management fees for our vacation properties were RMB4.19/sq.m./month, RMB4.04/sq.m./month, RMB4.07/sq.m./month and RMB4.11/sq.m./month, respectively, for the same periods. In 2017, we were awarded the "Leading Enterprise in Featured Property Services in China—Leading Brand in Vacation Property Management" by CIA. In 2017, we were the only property management company invited by the Standardization Working Committee of China Property Management Association to draft the industry standards for vacation property management.

We are not only an expert in vacation property management, but also a pioneer in large-scale property management. As of September 30, 2017, 12 projects under our management each exceeded a million sq.m. in GFA. Due to its complexity, large-scale property management typically has higher requirements for the qualification of the service providers and their service quality. The diversity of large-scale properties gives rise to greater demands for value-added services, which in turn helps property management companies expand their sources of revenue.

Diversified in property management portfolio, operating revenue streams and service offerings

We have endeavored to diversify our property management portfolio further by extending our services to non-residential properties including shopping malls, office buildings, super high-rise buildings, multi-purpose complexes and hotels. The percentage of revenue from management services for non-residential properties to our total revenue from property management services increased from 1.9% in 2014 to 17.5% in 2016, and remained relatively stable in the nine months ended September 30, 2017 as compared to that in the nine months ended September 30, 2016.

In addition to traditional property management services, we provide various products, channels and resources to offer property owners one-stop solutions covering all key stages of home ownership from house purchase, house delivery, home inspection to moving-in, as well as value-added community services. In particular, we provide (i) resident services, including household appliances maintenance and repair, housekeeping and cleaning, decoration and turnkey furnishing, purchase assistance, wedding planning and travel services, and (ii) property value management services, such as parking space sales and leases of vacant properties. In respect of serving property developers, we offer a series of comprehensive supporting services to meet property developers' needs at the stages of preliminary development, construction and subsequent marketing of their property development projects.

We believe that the provision of diversified operating services will improve customers' satisfaction and loyalty and increases our profitability. According to the CIA Report, in 2016, we were ranked sixth among the Top 100 Property Management Companies and the second among the top 100 property management companies in South China in terms of revenue from multiple operating services.

Integrated and convenient one-stop service platform

We have established a one-stop service platform that integrates offline resources with an online platform and mobile applications.

For our online platform, we have launched three mobile applications—"A-Steward" (雅管家), "A-Business" (雅商家) and "A-Assistant" (雅助手) as well as "A-Steward" (雅管家) WeChat public account in May 2016. For our offline channels, we also established A-Living Experience Centers. For details, please refer to "—Our One-stop Service Platform" below.

Our one-stop service platform enables us to render services in response to various customer needs. It mainly covers four aspects of everyday life of property owners and residents:

- *property services* — through the mobile application, "A-Steward," we provide a wide range of property services such as contacting a steward, making online payments and reporting repair requests. As of September 30, 2017, our "A-Steward" mobile application covered all of the residential properties under our management (excluding those under Greenland Property Services' management), and attracted over 238,900 registered users and 98,600 active users (being registered users who open the application at least once a calendar month). Our "A-Business" mobile application had established cooperative relationships with vendors and business partners as of September 30, 2017.

- *community O2O life services* — these services cover e-commerce, housekeeping, express delivery, housing, cars and peripheral services.

- *customization services* — we provide customized travel plans, health checkup and elderly care services.

- *neighborhood cultural enrichment services* — through our platform, we are devoted to creating a caring neighborhood culture. Since our inception, we have organized a large number of community cultural activities, including sports days, neighborhood carnivals, family summer camps, elderly care and community spring festival galas for residents of the communities where our managed properties are located.

In March 2017, we launched "A-Steward Alliance" (雅管家聯盟), which is an offline network aiming to promote our one-stop service platform. Through the Alliance, we aim to establish a pool of local property management companies to promote our one-stop service platform, and a strong business relationship with certain qualified vendors to enhance the quality of our services and provide more choices for our clients. As of September 30, 2017, property management company members of the Alliance jointly managed a GFA of approximately 800 million sq.m., and 60 vendors and service providers had established strategic cooperation relationship with us.

Management digitalization, service specialization, procedure standardization and operation automation

Focusing on management digitalization, service specialization, procedure standardization and operation automation, we provide consistent and cost-effective services to improve customer experience and generate sustainable profits.

- *Management digitization* — we have established a centralized control center at our Guangzhou headquarters, comprising a call center, an EBA control platform, a quality verification system, a video surveillance command system, a parking management system and other data integration control platforms, to realize visual monitoring of the service process and centralized management of our nationwide operations. Through the monitoring screens, we have real-time access to multi-dimensional data including basic information about communities, collection status of property management fees, feedback from customer services, and facilities and equipment maintenance. We can check the main scenes of the monitored communities in real time through the remote monitoring cameras. We allow for data interchange among various sub-platforms, and provide computation results of big data to the management to help with their decision making, and to "A-Assistant" to facilitate its services. In addition, we upgraded the parking lot gateway system to improve customer experience and increase the operation efficiency and revenue. In addition, through the digitization of our maintenance services information in our systems, members of our maintenance team can compete to respond to a service request order via "A-Assistant," which further improved service efficiency and customer satisfaction.

- *Service specialization* — we focus our resources on key featured services, such as property asset management, maintenance and repair of facilities and equipment, customer service, preliminary consultancy, property acceptance and inspection, property delivery, on-site sale and model unit services. We make efficient use of our professional personnel and ensure the quality of our services, by sub-contracting some basic and labor-intensive property management services, including cleaning and greening and gardening, to selected qualified third-party contractors.

- *Procedure standardization* — we strive to improve our operating capabilities through "standardization." Based on the information regarding the problems encountered in the management work collected by the property service centers, we revise and supplement existing procedures to ensure the improvement of our service quality. We updated and republished the "Agile Property Service Standardization Work Manual" in early 2017. We were also the only property management company invited by the Standardization Working Committee of China Property Management Association to draft the industry standards for vacation property management in 2017. We also standardized and upgraded our operation control platform to improve both quality and efficiency.

- *Operation automation* — according to the characteristics and needs of a property, we deploy cleaning and security equipment such as large sanitation trucks, self-balancing patrol vehicles and unmanned aerial vehicle to replace manual operation. Operation automation on the one hand helped us establish unified property service standard to ensure a consistent and high-quality service and on the other hand reduced labor costs and increased service efficiency.

Experienced and professional management team as well as human resources policies designed to cultivate outstanding employees

Our professional management team and comprehensive human resources policies are the key to our past achievements. Our management team has abundant industry management experience in the property management and value-added services industry. Mr. Liu Deming, our executive Director and president, has over 25 years of experience in the property management industry and served in senior management positions at a number of property management companies in China. He also concurrently served as the vice chairman of the Chinese Property Management Industry Association, the secretary general of the Property Management Committee of China Association for Campus Management and a member of the National Technical Committee on Property Service of Standardization Administration of China. Mr. Liu is supported by a strong and experienced management team, all of whom have a strong understanding and passion for the property management industry in China. Our executive Directors and key senior management members have been instrumental to the success and growth of our business. For details about our senior management members, please see the section entitled "Directors, Supervisors and Senior Management" in this Prospectus.

We adhere to a "people-oriented" philosophy, and have established a talent development system covering both internal training and external recruitment. We promote an employment philosophy of "hiring candidates who are capable, replacing employees of merely average standards and relieving employees who are incapable." We promote a culture of all-rounded competition, and established a talent selection mechanism to achieve continuous human capital appreciation in our internal environment. We believe that our human resources policies can help build a cohesive corporate culture, which will not only attract diversified talent but also help retain key employees required for our business expansion.

BUSINESS STRATEGIES

We strive to build upon our market position in Beijing, Shanghai and Guangzhou to expand our businesses nationwide and internationally. We are committed to becoming a comprehensive resident service management platform in China which embraces international standards. To that end, we intend to implement the following business strategies.

Further increase our business scale and market share

Focusing on providing management services for mid- and high-end properties, we intend to strengthen our businesses in strategic locations domestically and expand into the overseas market. To take advantage of our established market presence and the opportunities brought by rapid urbanization, growth of emerging cities and increasing purchasing power of ordinary households we aim to expand our market share in the cities where we already have a presence and gain a greater footing in China and enter into new domestic and overseas markets.

By laying a solid foundation in the 10 key cities and regions where our main managed properties are located in China including Beijing, Guangzhou, Zhongshan, Shenzhen, Nanjing, Shanghai, Xi'an, Chengdu, Hainan and Yunnan, we plan to evaluate and pursue opportunities selectively in surrounding cities and regions to achieve nationwide coverage. Moreover, leveraging our cooperation with Greenland Holdings, which have property development projects across China and key overseas markets, including the US, the UK, Canada and Australia, we are evaluating and pursuing opportunities in the property management industry overseas and planning to allocate business development resources to drive new growth through entering such markets in the future.

Expand our property management service portfolio by selectively pursuing strategic investment, acquisition and alliance opportunities

We believe that the property management industry in China today is fragmented and presents consolidation opportunities. In addition to growing our business through organic growth initiatives, we intend to explore selective strategic investment and acquisition opportunities to increase the depth and breadth of our service offerings and our managed property portfolio. In June 2017, we acquired Greenland Property Services and brought in Greenland Holdings as our strategic shareholder in August 2017. We plan to develop an in-depth strategic alliance with Greenland Holdings in a range of services, including property management, community value-added services, community finance, advertising, marketing and property agency. For more details, please see "—Competitive Strengths—Competitiveness enhanced by the support from Agile Group and Greenland Holdings, our two major shareholders" above.

We intend to continue to actively explore strategic investment and acquisition targets in both domestic and overseas markets, including quality property management companies and property management related businesses with technology or Internet elements, in order to increase the depth and breadth of our service offerings and managed property portfolio. The opportunities we intend to pursue include: (i) property management companies which have comparable market positions with our Company to ensure effective business integration; (ii) strategic alliances with, investments in and potential acquisitions of companies providing community products and services that are complementary to ours, to enhance our brand recognition, expand our services offering and improve our information technology; and (iii) the formation of property management funds and co-investments with business partners to expand business scale and geographical coverage within a short timeframe. Upon acquisition of a suitable target, we may either operate the new business under our existing brands, "雅居樂物業 (Agile Property Management)" and "綠地物業 (Greenland Property Services)," or retain the brand of the newly acquired company if it is well recognized in the local market.

To capture industry opportunities, we plan to allocate approximately 65% of our net proceeds from the Global Offering towards strategic investments and acquisitions. As of the Latest Practicable Date, our Directors confirm that we had not identified any target company for acquisition.

Continue to develop our value-added services to non-property owners along the value chain

We plan to continue to develop our value-added services to non-property owners along the value chain. Unlike traditional property management companies, we plan to offer all-round services addressing the different stages and cycles of property development. These services cover product positioning consultation, sales management, marketing consultation, property agency, advertisement design, media placement and home inspection. We plan to provide value-added services to various stages of property development from the preliminary planning, the construction and development and the subsequent marketing, as well as the different demands arising after the delivery of properties.

Develop diverse and differentiated value-added services to property owners to enhance property values and increase customer loyalty

In order to satisfy the increasingly diversified service demands, we will develop and provide more featured value-added services and enhance the overall community experience of property owners and residents. We will further improve our short term and long term lease services, non-standard accommodation management and other property value management services for the purpose of preserving and enhancing the value of properties. Leveraging our strengths in vacation property management and our one-stop service platform, we plan to develop custodial management services for vacant properties and short-term leasing services to help owners make better use of their idle vacation properties. In addition, we plan to commence community support and community medical services for the elderly in the near future as well as provide community financial services such as vehicle insurance products for the convenience of residents.

Further strengthen the implementation of management digitalization, service specialization, procedure standardization and operation automation

We are committed to using advanced technologies to improve customers' experience and enhance cost efficiency. We regularly review and improve our services continuously upgrade our technological levels, further standardize services and implement our service standards across all properties we manage. We plan to subcontract more on-site services to specialized third-party sub-contractors. As of September 30, 2017, we had completed automation and other equipment upgrades at a substantial number of the communities we manage. Upgrading of the remote monitoring system in 34 communities we manage and upgrading of the EBA systems in 13 communities have both been completed. Upgrading of carparks in 46 communities we manage will be completed in the first half of 2018. We plan to continue to implement automation and upgrade equipment for an additional 24 communities we manage by June 30, 2018. We plan to complete the upgrade of carpark facilities in all of the residential communities next year by installing intelligent access control system at pedestrian as well as carpark entrances. To improve operational efficiency, we plan to purchase professional cleaning machinery equipment, continue to promote intelligent parking management systems and install surveillance cameras at public areas at communities we manage to reduce the required number of security guards, and establish a call center at the headquarters to replace the customer service physical reception desks. We are committed to achieving 24-hour, point-to-point direct contact between all property owners and residents and our control center. To achieve all these, we plan to invest approximately 15% of our net proceeds from the Global Offering in enhancing our services by purchasing new equipment and facilities.

Continue to develop one-stop service platform to optimize our service experience

We will continue to devote resources to develop our one-stop service platform. First, we plan to continue to serve property developers, and increase the satisfaction of property owners and residents through the effective use of our platform, thereby enhancing customer loyalty. Second, we will continue to use the one-stop service platform to help small and medium-sized property management enterprises to improve their service quality and efficiency. Third, we will keep providing residents of properties under our management with more supplier options and better services. In addition, we intend to provide sales channels to more qualified suppliers, and offer them access to the one-stop service platform to reduce their costs and enhance their profitability. Moreover, we plan to bring together more business partners and explore opportunities to collaborate with potential partners in e-commerce, insurance, elderly care and financial services. Transformation of carpark operation is an example. Through our one-stop service platform, we obtain active platform users and their data, suppliers collect professional service fees, property owners enjoy a better parking experience, and small and medium-sized property management companies improve their management of carparks. As a result, a four-party win-win situation has been achieved. We will also make further efforts to promote the A-Steward Alliance to other property management companies so as to promote information and resource sharing and popularize our A-Steward platform while helping small and medium-sized property management companies to develop. As of September 30, 2017, our one-stop service platform covered all of the 158 projects we managed. We plan to expand our one-stop service platform to cover, by June 30, 2018, all projects managed by Greenland Property Services.

OUR BUSINESS MODEL

During the Track Record Period, we generated revenue primarily from three business lines.

Property management services

We provide property developers, as well as property owners and residents with a wide range of property management services, primarily including security, cleaning, greening and gardening, repairs and maintenance services. Our portfolio of managed properties comprises (i) residential properties (including vacation properties), with a focus on mid- to high-end residential properties and (ii) non-residential properties including commercial properties (including shopping malls), office buildings (including high-rise buildings), multi-purpose complexes and hotels. During the Track Record Period, substantially all of our property management fees were charged on a lump sum basis, with only a very small portion charged on a commission basis. We also provide consultancy services to selected local property management companies, leveraging our industry-recognized expertise and reputation. Under our consultancy service arrangements, our employees provide on site consultation and advice to these local property management companies to help them to improve their services to their clients.

Value-added services to non-property owners

We offer a comprehensive range of property related business solutions to non-property owners, primarily property developers. These services primarily consist of sales assistance services which assist property developers in showcasing and marketing their properties, including display unit cleaning, security and maintenance, visitor management as well as preliminary planning and design consultancy services for property development projects. We also provide advertising, property agency and home inspection services to non-property owners.

Value-added services to property owners

Our value-added services to property owners aim to provide property owners and residents access to a wide range of products and services through a variety of channels (including our one-stop service platform) with the goal of improving their life quality and preserving and increasing the value of their properties as assets. We divide these services into two categories: (i) resident services, which focus on the daily needs of property owners and residents, and are provided both during the course of providing our property management services and through our one-stop service platform. Our main resident services include housekeeping, repair and maintenance of home appliances, turnkey furnishing, sale of food and other daily supplies, smart home system, asset custody, travel, group purchase and ticketing services; and (ii) property value management services, which focus on preserving and enhancing the value of our customers' properties and include parking space sales and residential property lease services.

To enhance customer experience, we offer property management services and value-added services through our "A-Steward" (雅管家) and "A-Business" (雅商家) mobile applications directly to residents of our managed properties and suppliers and other third parties with whom we cooperate, respectively. The development of our one-stop service platform supports the integration of our three business lines and expand the reach of our offline services. See "—Our one-stop service platform" below.

The table below sets forth the breakdown of our total revenue by business line for the periods indicated:

	For the year ended December 31,						For the nine months ended September 30,			
	2014		2015		2016		2016		2017	
	(RMB in thousands)	(%)	(RMB in thousands)	(%)	(RMB in thousands)	(%)	(RMB in thousands) (Unaudited)	(%)	(RMB in thousands)	(%)
Property management services	595,030	72.0	690,729	73.9	977,863	78.6	675,381	77.5	898,192	76.8
Value-added services provided to non-property owners	188,819	22.9	185,987	19.9	212,247	17.0	149,997	17.2	206,028	17.6
Value-added services to property owners	42,250	5.1	57,696	6.2	54,625	4.4	46,432	5.3	64,648	5.6
Total	**826,099**	**100.0**	**934,412**	**100.0**	**1,244,735**	**100.0**	**871,810**	**100.0**	**1,168,868**	**100.0**

PROPERTY MANAGEMENT SERVICES

Overview

We have contracted to manage substantially all of the properties developed by Agile Group since 1993. In July 2015, we began to expand our business to manage properties developed by independent third party property developers. Our total GFA under management was approximately 24.4 million sq.m., 35.0 million sq.m., 50.1 million sq.m. and 76.2 million sq.m. (including the 2.0 million sq.m. GFA under Greenland Property Services' management as of September 30, 2017 as a result of our acquisition of Greenland Property Services in June 2017), respectively, as of December 31, 2014, 2015 and 2016 and September 30, 2017. Revenue generated from property management services provided to properties developed by Agile Group amounted to RMB595.0 million, RMB690.3 million, RMB798.9 million, RMB553.0 million and RMB719.7 million, respectively, in 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017, representing approximately 100.0%, 99.9%, 81.7%, 81.9% and 80.1%, respectively, of our revenue from property management services during the same periods.

The table below sets forth a breakdown of our total GFA under management as of the dates, and revenue from property management by property developer for the periods indicated:

	As of or for the year ended December 31,									As of or for the nine months ended September 30,					
	2014			2015			2016			2016			2017		
	GFA	Revenue		GFA	Revenue		GFA	Revenue		GFA	Revenue		GFA	Revenue	
	(sq.m.)	(RMB)	%	(sq.m.)	(RMB)	%	(sq.m.)	(RMB)	%	(sq.m.)	(RMB) (Unaudited)	%	(sq.m.)	(RMB)	%
	(in thousands, except for percentages)														
Agile Group	24,427	595,030	100.0	29,527	690,334	99.9	34,280	798,862	81.7	33,783	553,044	81.9	41,411	719,673	80.1
Greenland Holdings	—	—	—	—	—	—	—	—	—	—	—	—	1,893	17,250	1.9
Third-party property developers(1)	—	—	—	5,520	395	0.1	15,775	179,001	18.3	11,582	122,337	18.1	32,880	161,269	18.0
Total	**24,427**	**595,030**	**100.0**	**35,047**	**690,729**	**100.0**	**50,055**	**977,863**	**100.0**	**45,365**	**675,381**	**100.0**	**76,184**	**898,192**	**100.0**

Note:

(1) Refer to property developers other than Agile Group and Greenland Holdings.

The table below sets forth a breakdown of our total GFA under management as of the dates, and total revenue by geographic region for the periods indicated:

	As of or for the year ended December 31,									As of or for the nine months ended September 30,					
	2014			2015			2016			2016			2017		
	GFA (sq.m.)	Revenue (RMB)	Revenue %	GFA (sq.m.)	Revenue (RMB)	Revenue %	GFA (sq.m.)	Revenue (RMB)	Revenue %	GFA (sq.m.)	Revenue (RMB) (Unaudited)	Revenue %	GFA (sq.m.)	Revenue (RMB)	Revenue %
	(in thousands, except for percentages)														
Guangzhou region(1)	10,436	287,032	34.7	13,278	303,857	32.5	17,370	500,362	40.2	17,358	360,527	41.4	20,221	474,692	40.6
Zhongshan(2)	8,437	286,804	34.7	13,994	302,183	32.3	16,486	324,453	26.1	13,927	234,966	27.0	16,259	273,497	23.4
Hainan and Yunnan region(3)	2,261	129,509	15.7	3,274	187,716	20.1	4,832	199,851	16.0	4,501	134,926	15.5	5,046	187,859	16.1
Other regions(4)	3,293	122,754	14.9	4,501	140,656	15.1	11,366	220,069	17.7	9,580	141,391	16.1	34,658	232,820	19.9
Total	**24,427**	**826,099**	**100.0**	**35,047**	**934,412**	**100.0**	**50,055**	**1,244,735**	**100.0**	**45,365**	**871,810**	**100.0**	**76,184**	**1,168,868**	**100.0**

Notes:

(1) Guangzhou region mainly includes Guangzhou, Foshan, Shunde, Shenzhen, Heyuan, Huizhou and Nanning.

(2) Zhongshan region mainly includes the urban area of Zhongshan, Sanxiang and Tanzhou.

(3) Hainan and Yunnan region mainly includes Sanya, Haikou, Wenchang, Ruili, Xishuangbanna, Tengchong and Lingshui.

(4) Others mainly include Beijing, Shanghai, Yangzhou, Wuxi, Nantong, Nanjing, Changzhou, Shenyang, Chengdu, Chongqing and Xi'an.

Our contracted GFA of undelivered properties for which we have entered into preliminary property management agreements with relevant property developers was approximately 20.5 million sq.m., 28.4 million sq.m., 23.4 million sq.m. and 25.9 million sq.m. (including properties Greenland Property Services contracted to manage) as of December 31, 2014, 2015 and 2016 and September 30, 2017, respectively.

The table below sets forth the expiration schedule of our property management agreements for properties under our management (excluding the agreements entered by Greenland Property Services) as of September 30, 2017:

	Contracted GFA under management	Number of agreements
	(in thousands, sq.m.)	
Property management agreements without fixed term	38,357	155
Property management agreements with fixed terms expiring in		
Year ending December 31, 2017	3,592	16
Year ending December 31, 2018	20,568	20
Year ending December 31, 2019	1,603	11
Year ending December 31, 2020 and beyond	10,084	24
Subtotal	35,847	71
Total	**74,204**	**226**

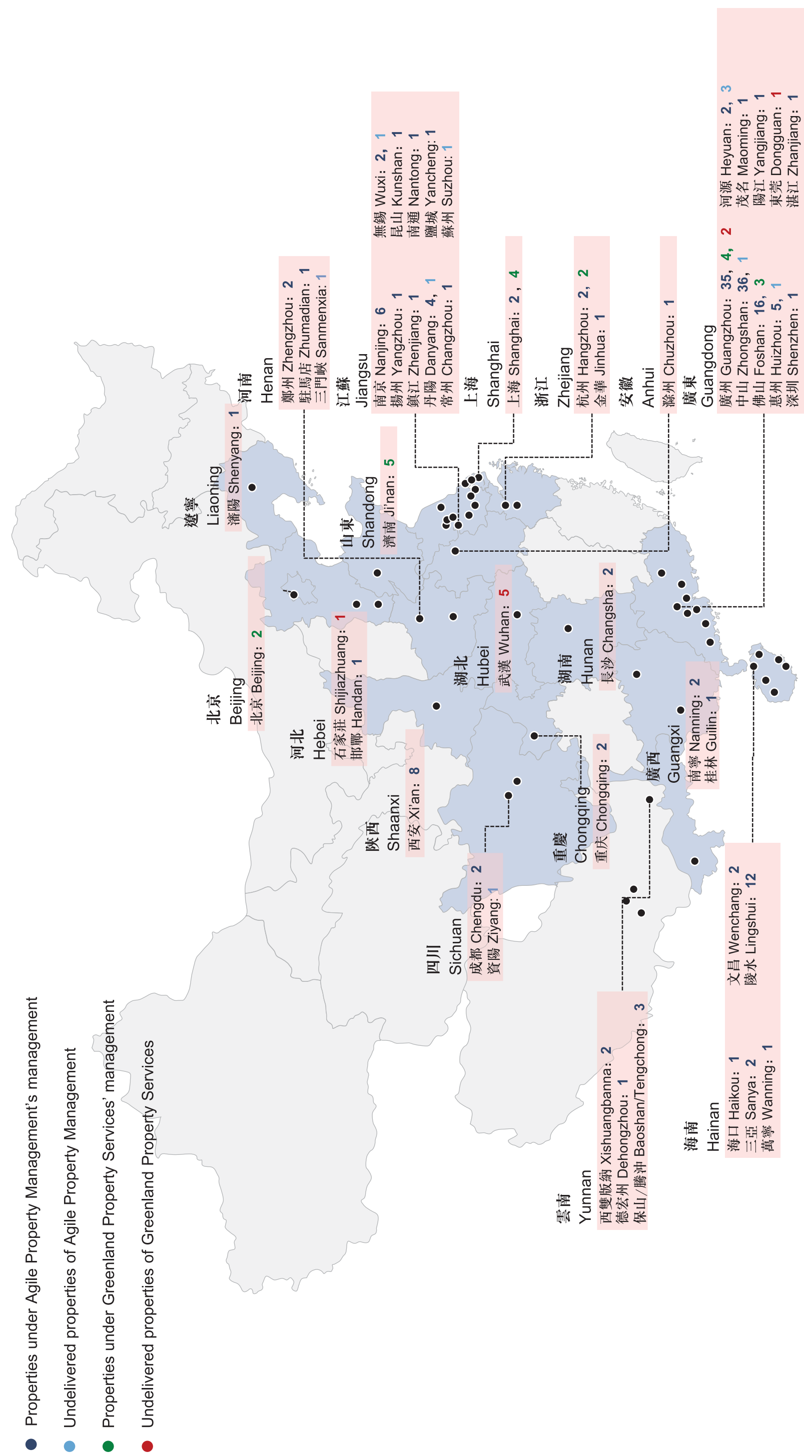
The table below sets forth the expiration schedule of the property management agreements of Greenland Property Services for properties under its management as of September 30, 2017:

	Contracted GFA under management	Number of agreements
	(in thousands, sq.m.)	
Property management agreements without fixed term	1,886	32
Property management agreements with fixed terms expiring in		
Year ending December 31, 2017	—	—
Year ending December 31, 2018	—	—
Year ending December 31, 2019	11	1
Year ending December 31, 2020 and beyond	84	1
Subtotal	95	2
Total	**1,981**	**34**

Our Geographic Presence

Since the commencement of our business in 1993, we have expanded our geographic presence from Zhongshan to 65 cities in the PRC.

The map below illustrates the cities in which the properties we are contracted to manage were located and the number of projects in each of these cities as of September 30, 2017:



As of September 30, 2017, without taking into account Greenland Property Services, we had a total of 172 properties under management and contracted to manage 15 properties which had not been handed over for management. The acquisition of Greenland Property Services increased the number of our properties under management to 186 as of September 30, 2017.

Scope of Services

We focus on providing (i) property management services such as security, cleaning, greening and gardening and repair and maintenance services to property owners and residents and property developers, and (ii) consultancy services to local property management companies. The property management services we provide can be grouped into the following categories:

- *Security services*. We aim to provide high-quality security services to ensure that the properties we manage are safe and well protected. We seek to enhance the quality of our security services through equipment upgrades. Daily security services provided by us include patrolling, electronic access control, video surveillance, carpark security, visitor management and emergency response. We delegate certain security services to third-party sub-contractors.

- *Cleaning, greening and gardening services*. We provide general cleaning, pest control, greening and gardening services to the properties we manage through our subsidiaries and third-party sub-contractors.

- *Repair and maintenance services*. We are generally responsible for the maintenance of the elevator systems, power supply and distribution systems, water supply and drainage systems, EBA systems, fire extinguishing systems, HVAC systems, buildings and ancillary facilities and equipment. We provide such services through our subsidiaries and third-party sub-contractors.

- *Consultancy services*. To expand our geographic presence, showcase our services and abilities, enhance our brand awareness and promote our one-stop service platform, we have selectively entered into consultancy services contracts with regional property management companies. Under such arrangements, these regional property management companies provide property management services at the relevant properties, and we provide consultation and advice to these regional property management companies such that they can leverage our experience and platform to improve the standard of their own operations and control their operational cost. As of September 30, 2017, we provided consultancy services to nine projects.

As of September 30, 2017, taking into account Greenland Property Services, we employed 11,793 on-site personnel to provide property management services and engaged 113 selected sub-contractors to provide certain property management services, mainly including cleaning, greening and gardening, repair and maintenance services.

Portfolio of Properties under Management

We manage a diversified portfolio of properties, comprising residential properties (including vacation properties) and non-residential properties, including commercial properties (including shopping malls), office buildings (including high-rise buildings), multi-purpose complexes and hotels. While residential properties have generated and will continue to generate the largest percentage of our revenue, we are attaching increasing importance to other types of properties as part of our endeavor to diversify our service offerings.

The table below sets forth a breakdown of our total GFA under management as of the dates, and revenue generated from properties developed by type of property for the periods indicated:

	As of or for the year ended December 31,									As of or for the nine months ended September 30,					
	2014			2015			2016			2016			2017		
	GFA (sq.m.)	Revenue (RMB)	%	GFA (sq.m.)	Revenue (RMB)	%	GFA (sq.m.)	Revenue (RMB)	%	GFA (sq.m.)	Revenue (RMB)	%	GFA (sq.m.)	Revenue (RMB)	%
										(Unaudited)					
	(in thousands, except for percentages)														
Residential properties	24,282	583,786	98.1	34,701	673,744	97.5	48,783	806,655	82.5	44,238	524,788	77.7	56,505	699,957	77.9
Non-residential properties	145	11,244	1.9	346	16,985	2.5	1,272	171,208	17.5	1,127	150,593	22.3	19,679	198,235	22.1
Total	**24,427**	**595,030**	**100.0**	**35,047**	**690,729**	**100.0**	**50,055**	**977,863**	**100.0**	**45,365**	**675,381**	**100.0**	**76,184**	**898,192**	**100.0**

During the Track Record Period, we generated a significant portion of our revenue from management of residential properties. The total contracted GFA of residential properties managed by us grew rapidly from 24.3 million sq.m. as of December 31, 2014 to 56.5 million sq.m. as of September 30, 2017. We expect such growth in our GFA under management from residential property management service to be sustainable, as we continue to contract to manage properties developed by Agile Group, Greenland Holdings and independent third party property developers.

Among our residential properties, we are especially well recognized for management of vacation properties. We leverage Agile Group's strength in vacation property development and have successfully developed a management model for vacation properties, offering tailored services, such as vacant property management and residential property leases. As of September 30, 2017, we managed a total of 17 vacation properties with an aggregate GFA under management of approximately 5.6 million sq.m., which represents approximately 7.4% of our total GFA under management as of the same date. According to CIA, we were ranked first among all property management companies in China in terms of the contracted GFA of vacation properties of 14.3 million sq.m. as of December 31, 2016. We had the total GFA of vacation properties under management of approximately 4.8 million sq.m. as of December 31, 2016. In recognition of our strength in vacation property management services, CIA awarded us as one of "China Leading Property Management Companies in terms of Featured Service—Leading Brand in Vacation Property Management (2017中國特色物業服務領先企業 — 旅遊地產物業管理領先品牌)" in 2017. See "—Management Digitalization, Service Specialization, Procedure Standardization and Operation Automation" in this prospectus.

Some of the services we provide to vacation properties are as follows:

- *services relating to owners and residents* — such as elderly care services and services that help residents to make appointments for medical consultation; and

- *services relating to properties* — such as maintenance and cleaning of home furniture and appliances, custody and maintenance of vehicles, custody and management of vacant properties and residential property leases.

In addition to our expertise in vacation property management, we also enjoy a reputation for large-scale property management in the industry. As of September 30, 2017, we managed 12 properties that each had an aggregate GFA of more than one million sq.m.

We endeavor to diversify our portfolio of properties under management by contracting to manage non-residential properties, such as commercial properties. For example, in 2016, we successfully agreed with Gaode to manage certain of their high-end commercial properties with GFA under management of 0.6 million sq.m. as of September 30, 2017. We believe that the experience and recognition we gain from managing such commercial properties will help us to obtain more contracts to manage commercial properties and other non-residential properties.

Property Management Fees

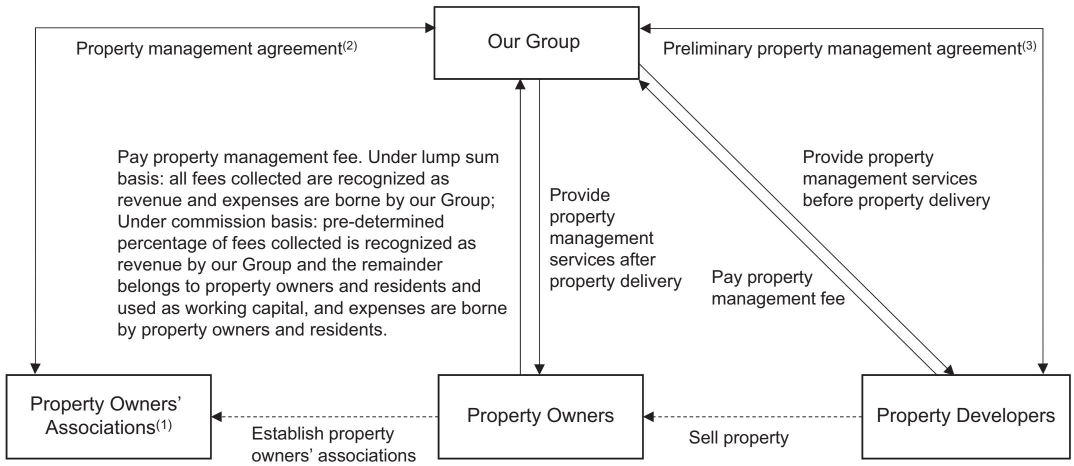
The revenue generated from our property management business was primarily charged on a lump sum basis during the Track Record Period. We also generated a limited amount of revenue on a commission basis during the Track Record Period. Our property management revenue generated from services charged on a lump sum basis accounted for approximately 98.4%, 98.1%, 97.8%, 97.7% and 97.8%, respectively, of our total revenue from property management services in 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017. Our property management revenue generated from services charged on a commission basis accounted for approximately 1.6%, 1.8%, 1.8%, 1.9% and 1.5%, respectively, of our total revenue from property management services for the same periods.

The following table sets forth a breakdown of our total GFA under management as of the dates and revenue from property management services by revenue model for the periods indicated:

	As of or for the year ended December 31,									As of or for the nine months ended September 30,					
	2014			2015			2016			2016			2017		
	GFA (sq.m.)	Revenue (RMB)	Revenue %	GFA (sq.m.)	Revenue (RMB)	Revenue %	GFA (sq.m.)	Revenue (RMB)	Revenue %	GFA (sq.m.)	Revenue (RMB) (Unaudited)	Revenue %	GFA (sq.m.)	Revenue (RMB)	Revenue %
	(in thousands, except for percentages)														
Lump sum basis	20,519	585,701	98.4	24,674	678,119	98.1	33,010	956,157	97.8	32,051	660,181	97.7	44,174	877,591	97.7
Commission basis	3,908	9,329	1.6	7,251	12,207	1.8	9,708	17,299	1.8	6,868	12,797	1.9	8,878	13,779	1.5
Consultancy fees	—	—	—	3,122	403	0.1	7,336	4,407	0.4	6,446	2,403	0.4	23,132	6,822	0.8
Total	**24,427**	**595,030**	**100.0**	**35,047**	**690,729**	**100.0**	**50,055**	**977,863**	**100.0**	**45,365**	**675,381**	**100.0**	**76,184**	**898,192**	**100.0**

We take into account a number of factors in determining whether to charge fees under lump sum basis or commission basis, including local regulations, property developers' or property owners' associations' requirements, the local market condition and the nature and requirements of individual properties, on a case by case basis. We conduct assessments of our prospective customers by evaluating key factors such as the estimated costs of managing the property, historical fee collection rate, projected profitability as well as whether the property was previously managed under lump sum basis or commission basis. The assessment helps us determine whether to manage the property under lump sum basis or commission basis.

The diagram below illustrates our relationships with various parties under our property management agreements and the major differences between lump sum basis and commission basis.



Notes:

(1) A property owners' association is authorized by law to act on behalf of the property owners.

(2) A property management agreement entered between a property owners' association and us is legally binding on all property owners in accordance with PRC laws.

(3) A preliminary property management agreement entered between a property developer and us before the properties are delivered to property owners is legally binding on the future property owners in accordance with PRC laws.

Property Management Fees Charged on a Lump Sum Basis

Under a lump sum basis contract, we charge a pre-determined property management fee per sq.m. of GFA under management on a monthly basis which represents "all-inclusive" fees for all of the property management services provided by us and our sub-contractors. We are entitled to retain the full amount of property management fees received from property owners and residents and property developers.

Under the lump sum basis model, we bear the costs of managing properties, and recognize such costs as our cost of sales, which include expenses associated with staff directly providing property management services, maintenance and repair of communal areas, facilities management, cleaning and garbage disposal and security. As a result, reducing the costs incurred in the provision of management services to a property has a direct impact on our profitability. If the amount of property management fee we collect during the term of a contract is not sufficient to cover all the expenses incurred, we are not entitled to request property owners and residents or property developers to pay us the shortfall. During the Track Record Period, we incurred loss in an aggregate amount of RMB19.7 million, RMB14.6 million, RMB2.1 million and RMB3.8 million, respectively, with respect to eight, 10, 11 and 11 properties, respectively, which were managed under lump sum basis for 2014, 2015, 2016 and the nine months ended September 30, 2017. The losses incurred with respect to such properties managed under a lump sum basis were primarily due to the relatively large costs incurred at the early stage of our management of such properties. The aggregate revenue generated from such loss-making properties was approximately RMB49.6 million, RMB54.5 million, RMB58.7 million and RMB33.9 million, respectively, for 2014, 2015, 2016 and the nine months ended September 30, 2017, representing approximately 6.0%, 5.8%, 4.7% and 2.9%, respectively, of our total revenue for the same periods. For more information, please see the section entitled "Risk Factors—Risks Relating to Our Business and Industry—We may be subject to losses and our profit margins may decrease if we fail to control our costs in performing our property management services on a lump sum basis" of this prospectus. We have established various internal measures to reduce cost and prevent or reduce such shortfall. To reduce costs, we have implemented management digitalization, service professionalization, procedure standardization and operation automation of our services. See "—Management Digitalization, Service Professionalization, Procedure Standardization and Operation Automation" below.

Property Management Fees Charged On a Commission Basis

During the Track Record Period, we derived revenue from a limited number of property management contracts under a commission basis. Property management contracts under commission basis represented 1.6%, 1.8%, 1.8%, 1.9% and 1.5%, respectively, of the total revenue from property management services in 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017. On a commission basis, we recognize as revenue a predetermined property management commission fee generally representing 8% to 10% of the property management fees payable by property owners and residents and property developers, while the remainder of such management fees are used as working capital to cover the property management expenses we incur. When we are contracted to manage communities on a commission basis, we essentially act as an agent of the property owners. Since the management offices of these communities have no separate bank accounts, all transactions related to these management offices are settled through our treasury function. As of the end of a reporting period, if the working capital of a management office accumulated in our treasury function is insufficient to cover the expenses the management office has incurred and paid through our treasury function to arrange for property management services at the relevant community, the shortfall is recognized as long-term receivable subject to impairment. See the section entitled "Risk Factors—Risks relating to Our Business and Industry—We may fail to recover all payments on behalf of property owners and residents of the properties managed on a commission basis" in this prospectus.

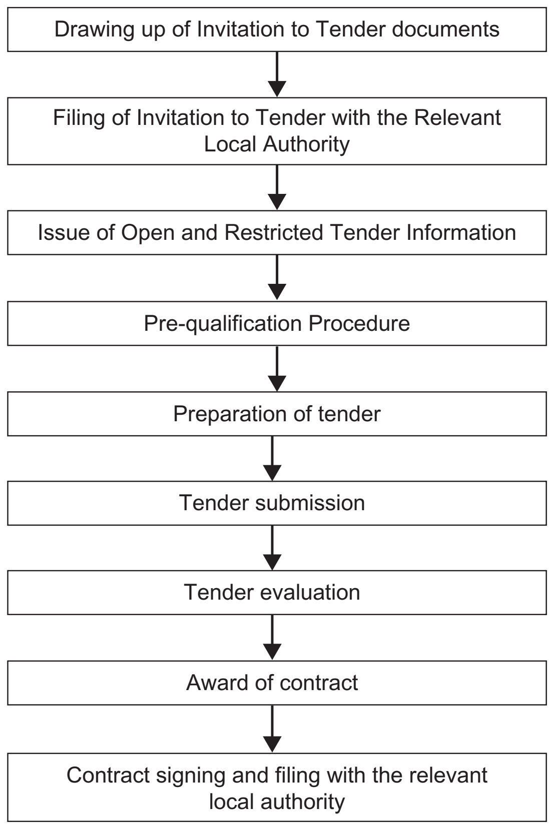
Under this revenue model, we are not entitled to any excess of the property management fees paid by property owners and residents and property developers (after deducting the fees receivable by us as the property manager) over the costs and expenses associated with the provision of services to the property. Therefore, we do not recognize any direct cost under property management service contracts charged on a commission basis in general. Such costs are borne by the property owners and residents and property developers.

Consultancy Services

Under our consultancy arrangements, the regional property management companies provide property management services at the relevant properties, and we provide consultation and advice to these regional property management companies such that they can leverage our experience and platform to improve the standard of their own operations and control their operational costs. We receive a fee for our consultancy services at fixed rates, regardless of the performance of the relevant properties. As of December 31, 2014, 2015 and 2016 and September 30, 2017, we provided consultancy services to an aggregate GFA of nil, 3.1 million sq.m., 7.3 million sq.m. and 23.5 million sq.m., respectively.

Agreements for Our Property Management Services

We are typically engaged through competitive bidding in accordance with relevant PRC laws and regulations as the property management company to service properties. Bid solicitations are generally from the property developers for properties under development, or from property owners' associations for completed residential properties that wish to replace their then existing property management companies. The flow chart below sets forth the typical tender and bidding process for our property management contracts:



We provided property management and other related services to the projects developed by Agile Group, Greenland Holdings and independent property developers at the pre-sale and pre-delivery stages during the Track Record period. We procure most of our initial property management service engagements from property developers through standard public tender procedures regulated by applicable PRC laws and regulations. In 2014, 2015, 2016 and the nine months ended September 30, 2017, the success rates of our tender bids for properties developed by Agile Group were 100.0%, 88.9%, 100.0% and 100.0%, respectively. We started providing management services for properties developed by property developers other than Agile Group since 2015 and the success rates of our tender bids for such properties were 26.1%, 28.4% and 35.6%, respectively, in 2015, 2016 and the nine months ended September 30, 2017. The success rates of Greenland Property Services' tender bids for properties developed by Greenland Holdings were 100.0%, 100.0%, 100.0%, and 100.0%, respectively, for 2014, 2015, 2016 and the nine months ended September 30, 2017. Greenland Property Services started to bid to manage properties developed by third party developers in 2017 and the success rate of Greenland Property Services' tender bids for such properties was 100.0% for the nine months ended September 30, 2017.

As of the Latest Practicable Date, we were selected by a number of property developers to provide management services for 30 properties without going through tender and bidding processes (the "Relevant Property Management Projects"). Such properties had an aggregate GFA of approximately 8.3 million sq.m. as of September 30, 2017. The revenue from our management of such properties represented approximately 10.2%, 10.1%, 8.6% and 7.1%, respectively, of our total revenue in 2014, 2015, 2016 and the nine months ended September 30, 2017. Under the Regulations on Property Management, a residential property developer shall hire qualified property management service providers by going through a tender and bidding process. If the number of bidders is less than three or the relevant residential property is of a relatively small scale, a property developer can engage qualified property management service providers directly without going through a tender and bidding process with the prior approval of competent authorities. According to the Regulations on Property Management, a residential property developer may be required to take rectification measures within a prescribed period and pay fines up to RMB100,000 if it fails to comply with such tender and bidding requirement. See the section entitled "Regulatory Overview — Legal Supervision over Property Management Services — Appointment of Property Management Enterprises" in this prospectus.

The relevant local authorities have acknowledged the administrative filing of property management agreements we entered into with property owners without having gone through a tender and bidding process. The lack of a tender and bidding process for the selection of property management service providers for the Relevant Property Management Projects was not caused by us but the relevant property developers. As advised by our PRC Legal Advisor, King & Wood Mallesons, based on the acknowledgement of the competent governmental authorities, no administrative penalty will be imposed on us by the relevant governmental authorities. Our Directors also confirm that, based on the opinion given by our PRC Legal Advisor and the percentage of the revenue from the management services for the Relevant Property Management Projects to our total revenue during the Track Record Period, it will not have any material and adverse impact on our business, financial position or results of operations. As of the Latest Practicable Date, we were not aware of any administrative penalties or any notice of any potential administrative penalties from the relevant competent authorities on the relevant property developers in relation to such property management agreements. See the section entitled "Risk Factors—Risks relating to Our Business and Industry—Some of our property management agreements were obtained without going through the required tender and bidding process" in this prospectus.

In order to ensure our ongoing compliance with the relevant regulations on property management, we have implemented several internal control measures, including (i) our regional offices to conduct extensive research and prepare bidding plan for newly developed property projects which will commence sale, before we participate in a tender and bidding process for such project; (ii) our property management center to closely monitor the tender and bidding progress of each project, formulate detailed property management plans, review the project status on a regular basis and prepare a register to keep track of the status of projects; and (iii) our regional offices to make filing of the property management fees with the relevant governmental authorities, if required, and prepare a register to keep track of the relevant filings. In addition, we will consult our PRC Legal Advisor for legal advice on tender and bidding issues from time to time.

Key Terms of Contract with Property Developers

Our contract with property developers typically includes the following key terms:

- *Scope of services*. A typical contract with a property developer sets out the scope of services by phase. Before the construction of the property is completed, we generally provide property management services to public areas and facilities, including security, cleaning, greening and gardening, public road maintenance and repair and maintenance of public facilities. Once the construction is completed, in addition to the aforementioned services, we also collect utility fees, manage the carpark and offer housekeeping services.

- *Performance standards*. The contract sets out specific standards for the main services we provide and the frequency of certain types of services such as elevator maintenance and equipment examination.

- *Property management fees*. The contract sets out the amount of property management fee, payable either on a lump sum basis or on a commission basis. The property developer is responsible for paying the property management fees for the units that remain unsold, which fees typically begin to accrue upon the execution of the property management contract and delivery of the first unit to a buyer. Property developers pay a daily surcharge, at a certain percentage of the overdue amount, for overdue property management fees. We can also report a property developer's overdue history to the housing management authority. The amount payable by the property developer will be withheld by the housing management authority upon the transfer of the property.

- *Property developers' obligations*. The property developer is primarily responsible for, among other things, obtaining a commitment from every property buyer that it will comply with the property management agreement, providing sufficient space at the community for us to use as our on-site property management office and providing us with blueprints and other construction design documents and completion inspection documents.

- *Term of service*. The contract does not have any fixed term and expires only when the relevant property owners' association is established and a new property management agreement is entered into to replace the existing one with property developers.

After the delivery of the properties by the property developers to the property owners, the property owners may form and operate a property owners' association to manage the properties. The Property Law of the People's Republic of China, the Regulations on Property Management and the Guidance Rules of the Owners' Meeting and the Property Owners' Association stipulate that property owners that own over half of the delivered GFA in the community may vote to establish a property owners' association at a property owners' meeting.

As of September 30, 2017, ten communities under our management had established property owners' associations, accounting for approximately 4.0% of the total number of communities under our management (excluding consultancy projects). The property owners' associations are independent of us. We need to provide quality services at competitive prices to the residents and owners of the properties in order to secure our engagement by the property owners' meeting. According to the Regulations on Property Management, the property owners' meeting can hire or dismiss property management service providers by votes from more than half of the property owners who own over half of the GFA of delivered properties in the community at the property owners' meeting. The property owners' association may either hire new property management service providers through competitive bidding or enter into a contract with a property management service provider directly based on specified standards, such as terms and conditions of service, service quality and service price.

In the event that the property owners' association has not been formed after the delivery of the properties to the property owners, the preliminary property management contract entered into between the property developers and us at the pre-sale and pre-delivery stages (the "Preliminary Management Contract") would remain effective and bind the owners of the properties, who are obligated to pay the management fees directly to us. The Preliminary Management Contract will be terminated when the property owners' association is formed and a new property management contract is entered into. If, upon the expiration of the initial term of the Preliminary Management Contract, the property owners' association has not been formed or a new property management contract has not been entered into between the property owners' association and us, (i) the Preliminary Management Contract will be renewed automatically until a new property management contract with the property owners' association is entered into if there is applicable provision in the Preliminary Management Contract to that effect, or (ii) the parties may choose to extend the services absent any automatic renewal provision in the contract, in which event a new management contract will be entered into between the property developer and us.

Key Terms of Contract with Property Owners' Associations

Our contract with property owners' associations typically include the following key terms:

- ***Scope of services***. Under a typical contract with a property owners' association, we provide general property management services, including repair and maintenance of public facilities, maintenance of common areas, greening, gardening, cleaning, security, fire control, emergency response and organization of cultural activities. If the owners or residents request other services, such as decoration, parking and maintenance of properties, they will sign separate service agreements with us. In addition, we may also agree to collect utility charges from property owners and residents on behalf of utility companies. We may outsource certain services to qualified sub-contractors.

- ***Property management fees***. The contract sets out the amount of property management fee, payable either on a lump sum basis or on a commission basis. Property owners and residents are responsible for paying the property management fees, which shall be proportional to the size of the GFA they occupy. If the owners and residents request other services not covered within our general scope of services, they shall also pay service fees either as separately agreed under the relevant agreements entered into between property owners and residents and us or as set out in the standard fee schedules applicable to the specific communities. Property owners and residents contribute to the public funds reserved for the repair and maintenance of public facilities and common areas. Property owners and residents pay a daily surcharge, typically 0.1% of the overdue amount, for overdue property management fees.

- ***Rights and obligations of property owners and residents***. According to relevant PRC laws and regulations, the property owners' association is elected by property owners, and represents their interest in matters concerning property management. The property owners' association's decisions are binding on all property owners. As advised by our PRC Legal Advisor, King & Wood Mallesons, contracts between property owners' associations and property management companies, including the various legal rights and obligations of property owners under such contracts, are valid and legally binding on property owners, whom their respective property owners' associations represent, even if the property owners are not parties to such contracts. As a result, we have legal claims against property owners for accrued and outstanding property management fees. Property owners and residents have the right to be informed of and supervise the use of public funds and the management of common areas and public facilities and review the annual budget and property management plan prepared by us. Before selling or leasing out their properties, property owners shall pay up all outstanding property management fees to us. When selling or leasing out their properties, property owners shall inform the buyers or tenants of the existence of the property management agreement and the buyers' or tenants' obligations thereunder. Within 15 days after the sale or lease of the properties, property owners shall notify us of such sale or lease. Property owners bear joint liabilities with the residents of their properties with respect to the payment of property management fees.

- ***Rights and obligations of property owners' association***. Property owners' associations have the right to be informed of and supervise the use of public funds and the management of common areas and public facilities and review the annual budget and property management plan prepared by us. Property owners' associations shall provide necessary support to us to facilitate our work, such as all necessary drawings, records, materials and an office.

- ***Terms and termination***. These contracts typically have a duration of three to five years. During the Track Record Period and up to the Latest Practicable Date, neither we nor any property owners' association of properties under our management has unilaterally terminated any property management contract with a property owners' associations before its expiration date.

- ***Dispute resolution***. Parties are typically required to resolve any contractual disputes through negotiations first, failing which the dispute is to be resolved through court proceedings.

Our Pricing Policy for Property Management Fee

We generally price our services by taking into account a number of factors, including (i) the types and locations of the communities, (ii) our budgeted expenses, (iii) our target profit margins, (iv) the profiles of property owners and residents; and (v) the scope and quality of our services. Under the property management contracts, we can negotiate with property owners and residents to raise the property management fees upon renewal of the contracts. Due to the quality of our services provided to property owners and residents, during the Track Record Period, we raised the property management fee rates for six properties we managed, that were approved by our property owners who owned half or more of the total GFA and who accounted for half or more of total property owners of each property, in compliance with relevant PRC laws and regulations.

The relevant price administration department and construction administration department of the State Council are jointly responsible for the supervision over and administration of the fees charged in relation to property management services, and such fees may need to refer to government guidance prices. For more information, please see the section entitled "Regulatory Overview—Charging of Property Management Enterprises" in this prospectus.

In 2014, 2015, 2016 and the nine months ended September 30, 2017, the average property management fee rate charged for the residential properties we manage was approximately RMB2.89 per sq.m./month, RMB2.94 per sq.m./month, RMB2.94 per sq.m./month and RMB2.98 per sq.m./month, respectively, higher than the industry average fee rates for the same periods. For example, the average fee rate for 2016 charged by the Top 100 Property Management Companies was approximately RMB2.31 per sq.m./month for residential properties, according to CIA.

Payment Terms and Credit Terms

We generally charge property management fees on a monthly basis. We generally send out notices one month in advance for the payment of the monthly fees for residential and commercial properties that we manage. For property management fees charged under a lump sum basis, property owners and residents pay us at a fixed rate, and we enjoy the surplus and bear the loss. For property management fees charged under a commission basis, any surplus in working capital at the end of the year is carried over to the next year, and any shortfalls in working capital are to be recovered from property owners and residents, with each property owner and resident's share of the shortfall generally proportional to the property owner and resident's share of the total fee-charging GFA, within the first month of the following year.

The fees from property management services in the PRC are collected in accordance with the terms of the relevant property management service contracts. The fees from property management services are due for payment by property owners and residents upon our issuance of a demand note. We typically receive payment for our property management services within 30 days after the issuance of the demand note to property owners and residents which, based on publicly available information, is consistent with the property management industry norm in the PRC. For details about our accounting policies regarding trade receivables, please see the section entitled "Financial Information—Certain Significant Accounting Policies and Accounting Estimates and Judgments—Trade and Other Receivables" in this prospectus.

To the extent permitted by relevant laws and regulations, we charge property owners at the properties we manage a utility fee for the water and electricity consumed by public facilities, public equipment and communal areas in proportion to the GFA occupied by them in addition to the agreed property management fees.

The property owners and residents can pay the amount payable to us in cash, through online or offline transfer, auto-pay, credit card or third party mobile payment platforms such as Alipay or WeChat Pay. In order to enhance the timely collection of the property management fees and other payments, we have undertaken a number of measures, including sending reminders through various channels, such as phone calls, mails and our "A-Steward" (雅管家)

mobile application, and notifying the property owners and residents in person. Moreover, we conduct an evaluation to make sure the property management fees we contract for are sufficient in light of the services we provide. We also impose strict control over our budgets to avoid any shortfalls. Furthermore, we have adopted the Operating Procedures for Collecting Property Management Fees, which set out the following measures to collect overdue property management fees:

- in the first month after the property management fees become due, a property management assistant shall remind the property owner of the overdue fees via phone prior to the tenth day and the 20th day after the due date, and send the first payment notice to the property owner prior to the 20th day after the due date;

- in the second month after the property management fees become due, the responsible department manager shall remind the owner via phone for the third time prior to the tenth day in the second month after the property management fees become due, and the property manager shall remind the owner via phone for the fourth time and send out the second payment notice to the property owner prior to the 20th day in the second month after the property management fees become due;

- in the third month after the property management fees become due, the property manager shall send a lawyer's letter via registered mail prior to the tenth day in the third month after the property management fees become due; and

- in the sixth month after the property management fees become due, a lawsuit shall be filed if the property management fees are still outstanding.

VALUE-ADDED SERVICES TO NON-PROPERTY OWNERS

Scope of Value-Added Services Provided to Non-Property Owners

We provide a series of value-added services to non-property owners, mainly property developers, primarily including the followings:

Sales Assistance

We may be appointed by property developers at an early stage of property development to provide sales assistance services. We help property developers with their preparation of marketing activities, and we recognize our revenue based on the fees we charge, which is either based on our actual cost or at a fixed lump sum amount.

We enter into sales assistance service agreements with property developers. Pursuant to the agreement, we agree to deploy staff on-site to assist property developers with their marketing activities, and be responsible for, among others, cleaning, security and maintenance of the display units. We also undertake marketing planning and visitor reception. We enter into a sales assistant service agreement for each property development project which is typically set to expire when the property developers notify us that our sales assistance services are no longer required.

In 2014, 2015, 2016 and the nine months ended September 30, 2017, our revenue derived from sales assistance services represented 100.0%, 100.0%, 99.7% and 92.3%, respectively, of our revenue from value-added services provided to non-property owners.

Other Services

In addition to sales assistance service, we also provide other services to non-property owners, primarily including advertisement, property agency and home inspection service. Our revenue derived from other services provided to non-property owners represented nil, nil, 0.3% and 7.7%, respectively, of our revenue from value-added services provided to non-property owners for 2014, 2015, 2016 and the nine months ended September 30, 2017. Our revenue from other services provided to non-property owners for the nine months ended September 30, 2017 was primarily generated from home inspection service.

Advertisement

We commenced our advertising service in June 2016. As our advertisement business is still at an early development stage, we primarily provide services to the properties under our management and properties developed by Agile Group. We focus on community related advertisements designed to facilitate service diversification and provide information of services and products closely tied to residents' daily life and basic needs such as consumer goods, household supplies and financial products. In the meantime, committed to optimizing customer experience and satisfaction, we closely manage the content and frequency of advertisements to ensure that the advertisements do not intrude upon the residents' quiet enjoyment of their properties.

Property agency

We commenced our property agency services in July 2017. We have a strong property agency team comprised of a number of members experienced in the real estate industry and property agency business, offering feasibility studies, marketing planning, sales consultancy, and channel development and integration services. We provide property developers with property agency services with respect to (i) newly developed properties in selected cities and (ii) unsold units at the properties we manage. We act as a sales agent for property developers, sourcing potential property buyers and assisting property developers in entering into property sale and purchase agreements with the buyers. We reach out to potential property buyers through our network of property management offices located at the properties we manage across China. Leveraging the active engagement and close relationships with the residents that we have nurtured through our property management operations, we have access to potential property buyers with proven purchasing power. Upon the consummation of a property sale transaction, we charge the seller a commission calculated at a fixed percentage of the contract purchase price. During the Track Record Period, all of our revenue from property agency business was generated from properties developed by Agile Group.

Moreover, we offer brokerage services for property leasing transactions, which primarily include property listing as well as assistance in the negotiations and documentation of leases. Upon the closing of a successful property leasing transaction, we charge the landlord and tenant an amount equal to one month's rent as commission.

Home inspection

We commenced our home inspection service in April 2017. We provide home inspection services to property developers and property owners after the construction has been completed and the property has been delivered to buyers.

We primarily provide two types of home inspection services:

- *delivery assessment*. We provide delivery assessment services to property developers. Specifically, we assess the condition of completed properties to determine whether such properties are suitable for delivery by searching and reviewing the completion filing records of such properties, conducting on-site examination and undertaking other tests and surveys. The scope of our assessment covers individual units, communal areas, basements, landscaping, public facilities and equipment; and

- *unit inspection.* We provide unit inspection service to both property developers and property owners. Our unit inspection service focuses on aspects that are likely to affect property owners' satisfaction or the delivery rate of properties, such as functionality, quality and design of properties. Specifically, we conduct on-site examination and undertake other tests and surveys with a view to spotting potential defects and issues.

As of September 30, 2017, we had 39 home inspection projects, including 29 inspection service contracts which were active and 10 inspection service contracts under negotiation.

VALUE-ADDED SERVICES TO PROPERTY OWNERS

We provide a wide spectrum of value-added services to property owners. These services are provided both through our daily contact and interaction with property owners and residents during the process of providing traditional property management services and through our one-stop service platform.

With a view to improving the community living experience of property owners and residents at the properties we manage and preserving and increasing the value of their properties, we mainly provide two types of value-added services to property owners, namely, resident services and property value management services.

- *Resident services*. We offer resident services to property owners and residents with a focus on their daily needs. The main resident services we provide include:

  (i) property maintenance and repair: we offer property maintenance and repair services either by ourselves or through qualified third-party service providers. Our property maintenance and repair services cover home appliances, electric equipment, furniture and permanent fixtures;

  (ii) housekeeping and cleaning services: we offer housekeeping and cleaning services either by ourselves or through qualified third-party service providers. We have implemented our Household Cleaning Procedures, which set forth the service standards, cleaning procedures and occupational etiquette, among other things;

  (iii) decoration and turnkey furnishing services: We offer design and purchasing services with turnkey furnishing packages to create a move-in ready residence. Leveraging our integrated supplier resources, we assist the owners and residents of our managed properties in decorating and furnishing the units and purchasing furniture, home appliances and accessories, saving them time and effort. We charge a pre-negotiated fee for our turnkey furnishing services;

(iv) purchase assistance: we offer purchase assistance for a full range of products and services for sale by us or by pre-screened merchants. Our active engagement and relationships with the property owners and residents through our property management services help us better understand and respond to their demands. The property owners and residents may place orders at our property management offices or through our "A-Steward (雅管家)" mobile application;

(v) wedding planning services: we offer various wedding planning services including site decoration and layout, emcee, process design and ceremony director services; and

(vi) travel services: We obtained a travel agency business license on March 1, 2017. We offer tailored travel plans to our customers and act as an intermediary between our customers and local travel agencies. Our travel services mainly include: (a) business or training trips contracted with Agile Group, (b) trips to Agile Group's vacation properties, including the vacation properties located in Yunnan, Hainan and Malaysia, all of which are popular tourist destinations, and (c) community trips, in particular customized trips offered to customers with families.

- *Property value management services*. Committed to preserving and increasing the value of our customers' assets, we provide property value management services to property owners, including residential property lease services. We maintain a portfolio of properties for rent and property owners bear the maintenance cost. If a property is successfully rented out, we will charge a commission calculated as a fixed rate of the rental income.

Based on our estimation, the expected maximum revenue contribution from Agile Holdings to each of the three major business lines of our Group for the three years ending December 31, 2020 are as follows:

	For the year ending December 31,		
	2018	2019	2020
	(approximate, RMB in millions)		
Property management services	459.0	519.0	597.0
Value-added services to non-property owners(1)	409.0	493.5	615.6
Value-added services to property owners(2)	2.0	2.5	3.3

Notes:

(1) services provided to the Agile Group under this business line include home inspection services, property agency services and advertising and public relations services.

(2) services provided to the Agile Group under this business line include travel services.

For details on the transactions relating to the above services provided to Agile Holdings which will contribute to our Group's revenue, please refer to the section entitled "Connected Transactions" in this prospectus. Please also see the section entitled "Risk Factors—Risks Relating to Our Business and Industry—We cannot assure you that we can procure new property management service contract" in this prospectus.

OUR COOPERATION WITH GREENLAND HOLDINGS

In June 2017, we established a strategic alliance with Greenland Holdings, an industry leader in property development. On June 30, 2017, we acquired Greenland Property Services from Greenland Holdings for a consideration of RMB1.0 billion pursuant to a share transfer agreement entered among Greenland Holdings, Greenland Property Services and us. As a result, Greenland Property Services became our wholly-owned subsidiary. In August 2017, Greenland Holdings acquired a 20% equity interest in newly issued share capital of our Company for a consideration of RMB1.0 billion and became our long-term strategic shareholder. The purchase price for Greenland Property Services was determined on an arm's length basis, taking into account the prospect of the business cooperation between Greenland Holdings and our Company. Although the acquisition of Greenland Property Services and the Pre-IPO Investment both aim to implement the strategic alliance and are therefore related to each other in this respect, they were not inter-conditional. In addition, two different independent valuers were engaged for these two separate transactions, which applied independent appraisal procedures and went through independent appraisal processes for these two transactions, and Agile Group, Greenland Holdings and we entered into separate definitive agreements for these two transactions on different dates.

Overview of Greenland Holdings and Greenland Property Services

Since its establishment in 1992 and through more than two decades' development, Greenland Holdings has secured its market presence in more than 80 cities in China and 13 cities in nine foreign countries, including the United States, Britain, France, Germany, Australia, Canada, South Korea, Thailand and Malaysia. Greenland Holdings has been on the list of Fortune Global 500 for five consecutive years since 2012. In 2016, Greenland Holdings recorded a total revenue of approximately RMB247,160 million and a net profit attributable to its shareholders of approximately RMB7,207 million.

Greenland Property Services is primarily engaged in property management and related businesses. In 2014, 2015, 2016 and the six months ended June 30, 2017, Greenland Property Services recorded total revenue of approximately RMB43.4 million, RMB76.4 million, RMB95.9 million and RMB60.5 million, respectively; and recorded a net profit of approximately RMB0.9 million, RMB2.0 million and RMB2.9 million, respectively, in 2014, 2015, 2016 and a net loss of RMB0.7 million in the six months ended June 30, 2017. Greenland Property Services' net profit generally increased from 2014 to 2016 which was primarily due to the increase in the GFA under management. The relatively thin net profit during 2014 to 2016 was primarily because the total GFA that Greenland Property Services managed was relatively small and thus had not achieved business scale. Greenland Property Services recorded a net loss in the six months ended June 30, 2017, primarily due to the increase in the operating expenses (mainly including staff cost and marketing expenses), reflecting Greenland Property Services' efforts to expand its property management services to cover properties developed by third party developers other than Greenland Holdings. The financial performance and cash flows of Greenland Property Services during 2014, 2015, 2016 and the six months ended June 30, 2017 were not audited or reviewed by our auditor nor included in our consolidated financial statements. Upon our acquisition of Greenland Property Services on June 30, 2017, the financial performance and cash flows of Greenland Property Services as of and for the three months ended September 30, 2017 were included in our consolidated financial statements. Greenland Property Services recorded total revenue and a net profit of RMB44.0 million and RMB12.0 million, respectively, for the three months ended September 30, 2017. For details, see "Financial Information—Acquisition of Greenland Property" of this prospectus.

As of December 31, 2014, 2015 and 2016 and September 30, 2017, Greenland Property Services managed properties with a total GFA under management of approximately 0.4 million sq.m., 0.7 million sq.m., 1.2 million sq.m. and 2.0 million sq.m., respectively. All of the properties that Greenland Property Services managed in 2014, 2015 and 2016 were developed by Greenland Holdings, and the success rates of Greenland Property Services' tender bids for such properties were 100.0%, 100.0%, 100.0% and 100.0%, respectively, for 2014, 2015, 2016 and the nine months ended September 30, 2017. As of September 30, 2017, Greenland Property Services managed one property developed by an independent third party, which Greenland Property Services started to manage in August 2017, with a GFA under management of approximately 88,000 sq.m. in addition to properties developed by Greenland Holdings. Greenland Property Services started to bid to manage properties developed by third party developers in 2017 and the success rate of Greenland Property Services' tender bids for such properties was 100.0% for the nine months ended September 30, 2017.

As of September 30, 2017, Greenland Property Services managed 14 properties, including both residential properties and commercial properties. In 2014, 2015, 2016 and the nine months ended September 30, 2017, the average management fees for the residential properties managed by Greenland Property Services were approximately RMB3.18/sq.m./month, RMB2.89/sq.m./month, RMB2.74/sq.m./month and RMB2.86/sq.m./month, respectively; and the average management fees for the commercial properties managed by Greenland Property Services were RMB15.00/sq.m./month, RMB9.86/sq.m./month, RMB8.25/sq.m./month and RMB7.87/sq.m./month, respectively. The average management fees for the commercial properties managed by Greenland Property Services decreased during the Track Record Period, primarily due to Greenland Property Services' expansion into second- and third- tier cities since 2015, such as Jinan and Foshan, where the average property management fees are lower than properties located in first-tier cities such as Shanghai.

The table below sets forth a breakdown of Greenland Property Services' total GFA under management as of the dates, and revenue generated from property management by type of property for the periods indicated:

	As of and for the year ended December 31,									As of and for the six months ended June 30,			As of and for the three months ended September 30,		
	2014			2015			2016			2017			2017		
	GFA	Revenue		GFA	Revenue		GFA	Revenue		GFA	Revenue		GFA	Revenue	
	(sq.m.)	(RMB)	%	(sq.m.)	(RMB)	%	(sq.m.)	(RMB)	%	(sq.m.)	(RMB)	%	(sq.m.)	(RMB)	%
	(in thousands, except for percentages)														
Residential properties	345	5,767	94.5	590	10,236	96.6	1,094	22,953	89.3	1,207	20,683	91.1	1,476	11,128	63.8
Commercial properties	36	333	5.5	90	364	3.4	153	2,747	10.7	246	2,017	8.9	505	6,310	36.2
Total	**381**	**6,100**	**100.0**	**680**	**10,600**	**100.0**	**1,247**	**25,700**	**100.0**	**1,453**	**22,700**	**100.0**	**1,981**	**17,438**	**100.0**

The table below sets forth a breakdown of Greenland Property Services' total GFA under management as of the dates, and revenue generated from property management by revenue model for the periods indicated:

	As of and for the year ended December 31,									As of and for the six months ended June 30,			As of and for the three months ended September 30,		
	2014			2015			2016			2017			2017		
	GFA	Revenue		GFA	Revenue		GFA	Revenue		GFA	Revenue		GFA	Revenue	
	(sq.m.)	(RMB)	%	(sq.m.)	(RMB)	%	(sq.m.)	(RMB)	%	(sq.m.)	(RMB)	%	(sq.m.)	(RMB)	%
	(in thousands, except for percentages)														
Lump sum basis	155	5,200	85.2	239	8,900	84.0	777	23,500	91.4	1,058	21,600	95.2	1,430	16,890	96.9
Commission basis	226	900	14.8	441	1,700	16.0	470	2,200	8.6	395	1,100	4.8	551	548	3.1
Total	**381**	**6,100**	**100.0**	**680**	**10,600**	**100.0**	**1,247**	**25,700**	**100.0**	**1,453**	**22,700**	**100.0**	**1,981**	**17,438**	**100.0**

In addition to revenue from property management service, Greenland Property Services also generated revenue from value-added services to non-property owners of approximately RMB36.4 million, RMB63.1 million, RMB62.8 million, RMB32.6 million and RMB23.8 million, respectively, for 2014, 2015, 2016, the six months ended June 30, 2017 and the three months ended September 30, 2017, and from value-added services to property owners of approximately RMB0.9 million, RMB2.7 million, RMB7.4 million, RMB5.2 million and RMB2.8 million, respectively, for the same periods.

Benefits of the Strategic Alliance

The cooperation with Greenland Holdings has been of strategic significance to us, including increasing our business scale, improving our market coverage, enriching our service portfolio, expanding our mid-to high-end customer base and integrating our value-added service offerings. Pursuant to the share transfer agreement and to the extent permitted by relevant laws, Greenland Holdings shall endeavor to engage us as their property management service provider and to deliver a GFA of not less than 7.0 million sq.m. per annum to us for management, and to give priority to us when selecting their property management service provider for properties it develops for an additional GFA of 3.0 million sq.m. per annum, during the period from January 1, 2018 to December 31, 2022. We believe properties developed by Greenland Holdings will be a stable source of business and a strong trigger for our future development.

We will operate under the two well-known brands, "雅居樂物業 (Agile Property Management)" and "綠地物業 (Greenland Property Services)." In addition, Greenland Holdings has agreed to authorize Greenland Property Services to use the trademark and brand of "Greenland Property Services" which is held by Greenland Holdings for Greenland Property Services' property management services on a royalty free basis for a period of five years and may be renewed by negotiation between Agile Holdings and Greenland Holdings upon expiration.

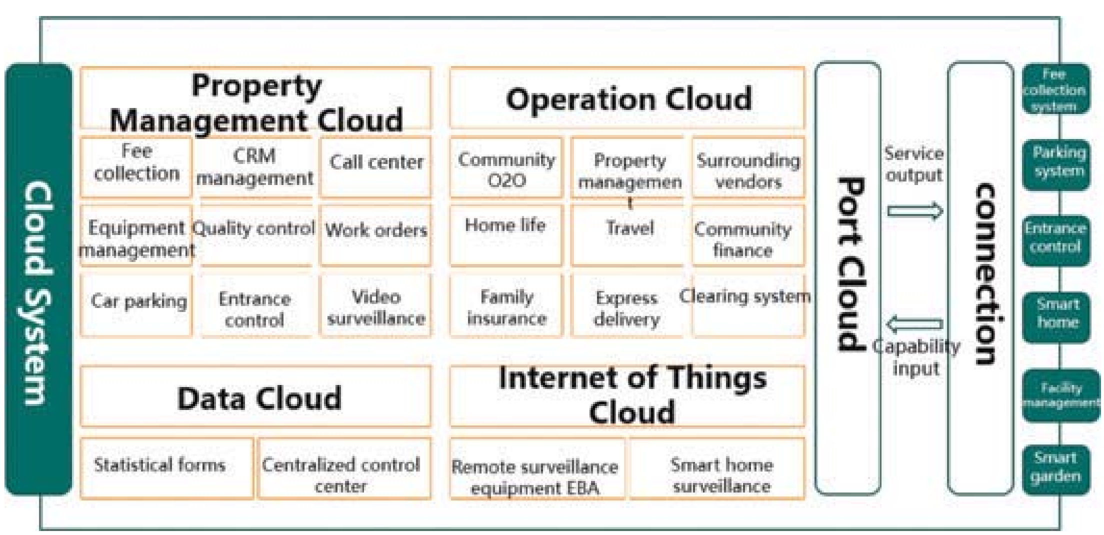
Greenland Holdings shall also provide support for the development of our community value-added services (including our community finance, smart home, elderly care and telemedical services), advertising, property agency and home inspection services. Furthermore, Greenland Holdings has established a global presence, covering a number of regions where we are relatively underpenetrated, such as North China and overseas. With the business combination, we will seek to enter new regions where Greenland Property Services has established its presence and reputation, representing a significant move towards our goal to become a leading property management company with an extensive domestic geographic coverage and international recognition.

For further details on the benefit from cooperation with Greenland Holdings, please see "—Competitive Strengths—Competitiveness enhanced by the support from Agile Group and Greenland Holdings, our two major shareholders" above.

MANAGEMENT DIGITALIZATION, SERVICE PROFESSIONALIZATION, PROCEDURE STANDARDIZATION AND OPERATION AUTOMATION

To strengthen our competitiveness, reduce our reliance on manual labor and reduce costs, we focus on management digitalization, service professionalization, procedure standardization and operation automation. We evaluate our property management services and formulate processes to render such services in a manner that is intended to improve operational efficiency, ensure consistent service quality, help develop a scalable business model and alleviate the pressure of increasing labor cost.

- ***Management Digitalization***. We endeavor to achieve digitalized management within our Group. Through the digital information platform at our headquarters, we obtain the latest data on all properties we manage in real time, monitor the overall operation status of the properties, and make appropriate decisions based on our analysis of the data. We closely monitor the status of the properties we manage and our local operations through large display screens. Specifically, (i) our data monitoring screen displays the basic information of the properties we manage, the collection status of property management fees, the status of our call center, personnel dynamics, quality indicators and the maintenance condition of the facilities and equipment; (ii) our remote monitoring screen displays the main scenes of the properties we manage, including the communal areas and major facilities; and (iii) our carpark monitoring screen displays the parking lots at the properties we manage. By analyzing information collected and displayed, we formulate strategies and policies to address the issues identified and improve customer satisfaction. The diagram below illustrates our digitalized management system.



Furthermore, we have established a centralized command center through which we exercise centralized management with the use of information technologies to replace the customer service front desks at the community level, which improves the quality and efficiency of our operations and services.

- ***Service Professionalization***. We have been continuously seeking to streamline our work processes, improve efficiency and enhance the level of specialization. In order to better focus on our key property management services and value added services such as management and operation of public facilities and equipment, customer service, consultancy services, property delivery and inspection as well as sales assistance services, we plan to further outsource certain property management services to professional third party service providers. We believe we can improve operation efficiency by outsourcing these services and meanwhile ensure the service quality by implementing a set of stringent quality standards.

- ***Procedure Standardization***. We have streamlined and standardized our property management services, focusing particularly on standardizing key elements of our services, such as environmental management, occupational health and safety management and quality management. We divide the properties we service into different levels, based on factors such as their locations, total GFA and amount of property management fees. We set up standardized service provision procedures for each level of property, and replicate them in part or in whole across all the properties that we service. In certain aspects of our business such as environmental protection and safety, we apply a consistent set of standards, which are in line with or more stringent than industry practice, throughout the properties we manage to achieve better and consistent quality control. Such measures help us standardize our services, which strengthens our brand and reputation by ensuring service consistency. In areas where no universally accepted standards are in place, we strive to take the lead in setting the standards for the industry. For example, we are the only property management company invited by the Standardization Working Committee of China Property Management Association to draft the industry standards for vacation property management.

- ***Operation Automation***. We strive to automate our operations where possible, by employing equipment such as carpark management systems, EBA systems, cleaning vehicles, unmanned drones or aerial vehicles and intelligent robots to minimize human error and apply consistent service procedures and standards. Automation also plays a key role in improving service quality and saving costs by reducing our reliance on manual labor such as security guards and cleaning staff.

The expenses we spent in connection with the management digitalization, service specialization, process standardization and operation automation during the Track Record Period primarily comprised sub-contracting cost, and to a lesser extent, purchase of facilities and equipment. In 2014, 2015, 2016 and the nine months ended September 30, 2017, we spent an amount of RMB107.7 million, RMB139.6 million, RMB211.8 million and RMB271.0 million, respectively, on management digitalization, service specialization, process standardization and operation automation.

OUR ONE-STOP SERVICE PLATFORM

In response to demands from property owners and residents and increasing cost pressure, we have made efforts to optimize our business model and improve our service quality. With the help of the Internet and mobile applications, we have built a one-stop service platform to improve our customer experience and satisfaction.

We operate our one-stop service platform through our PRC subsidiary, Guangzhou Yatian. The functions of our one-stop service platform mainly include (i) selling goods (including food) and providing various services, the revenue generated from which is the result of sale of goods and services instead of providing paid Internet information services; and (ii) providing community social networking services for free. According to the Administrative Measures on Internet Information Services (互聯網信息服務管理辦法) which was issued by the State Council on September 25, 2000 and came into effect on the same day and was revised on January 8, 2011, Internet information services refer to the provision of information to web users through the Internet, which can be divided into commercial Internet information services and non-commercial Internet services. Commercial Internet information services refer to paid services of providing information to or creating web pages for web users through the Internet. Non-commercial Internet services refer to free services of providing public, commonly-shared information to web users through the Internet. Whether a certain Internet information service is regarded as commercial or non-commercial, depends on whether the provision of Internet information is free or to be charged. For details, see the section entitled "Regulatory Overview—Legal Supervision over the Internet Information Services—Supervision on Internet Information Services". As advised by our PRC Legal Advisor, King & Wood Mallesons, (i) the business conducted by Guangzhou Yatian is regarded as "non-commercial Internet information services," as we sell goods and provides living related services and provide free community social networking services through the one-stop service platform. Customers pay for the goods and living related services but do not need to pay for the Internet information services provided by us. Revenue generated from the one-stop service platform comes from sales of goods and living related services instead of providing paid Internet information services; (ii) necessary filings and registrations in respect of such business have been obtained and completed by Guangzhou Yatian, including, a filing of non-commercial Internet information services, a food sales license and a filing of self-built food trading website of food traders; (iii) non-commercial Internet information services doesn't belong to the category of basic telecommunication services or value-added telecommunication services and, as a result, a license for value-added telecommunication services is not necessary; and (iv) Guangzhou Yatian's business is not subject to foreign ownership restrictions under relevant PRC laws and regulations.

Our one-stop service platform helps synergize various services and integrate online and offline information and resources by applying the Internet of Things, cloud computing, mobile Internet, intelligent terminals and other information technologies. Our one-stop service platform connects the owners and residents of the properties we manage to our steward team and allows the residents to easily purchase services and products from or through us. While we believe our one-stop service platform represents a lucrative and fast-growing business, it is still at a relatively early development stage and associated with both market opportunities and corresponding challenges and risks. See the section entitled "Risk Factors—Risks Relating to Our Business and Industry—Our one-stop service platform may not grow as planned" of this prospectus.

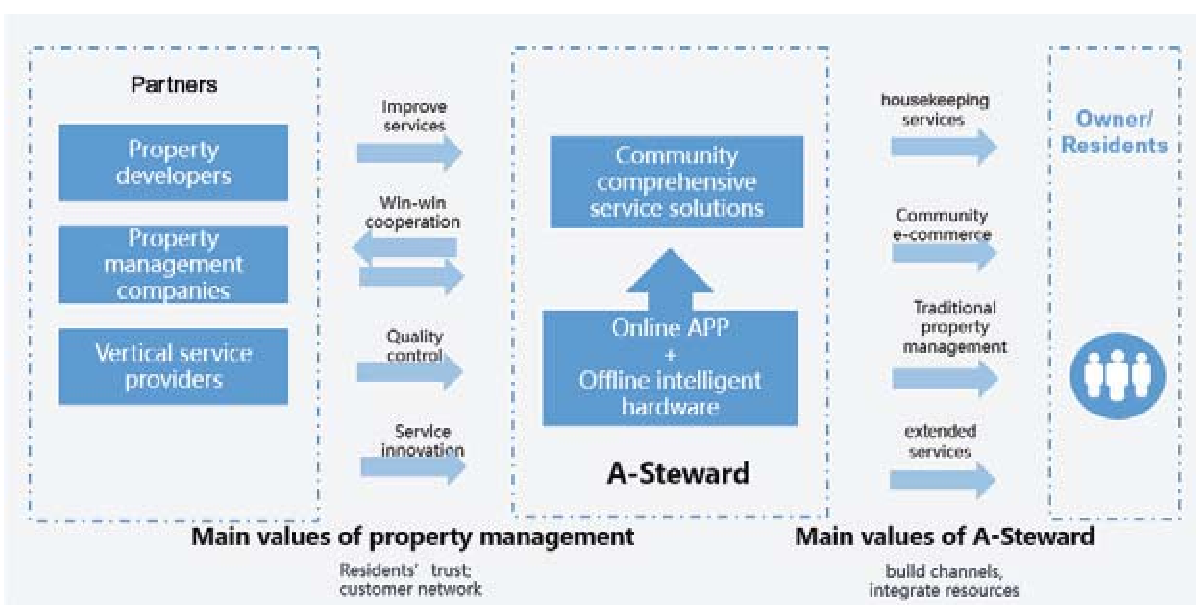
Our one-stop service platform primarily comprises our "A-Steward" (雅管家), "A-Business" (雅商家) and "A-Assistant" (雅助手) Android and iOS mobile applications, A-Steward WeChat Services (雅管家微信服務), intelligent terminals, intelligent building management system, smart home system, smart parking system, unattended convenience stores and our A-LIVING Experience Center (雅生活體驗中心). The "A-Steward" (雅管家) mobile application is the centerpiece and key focus.

Our mobile applications, A-Steward (雅管家), A-Business (雅商家) and A-Assistant (雅助手), are key to the functioning and success of our one-stop service platform. Our A-Steward (雅管家) mobile application is designed for our customers, the property owners and residents at the properties we manage. Through "A-Steward" (雅管家), our customers can have easy access to products and services covering substantially all of the primary aspects of their daily lives. The target users of our A-Business (雅商家) mobile application are merchandise suppliers and service providers. They can remotely manage their online stores and offerings and interact with their customers. To support and monitor the transactions on our one-stop service platform and to enhance the quality of our services, we developed the A-Assistant (雅助手) mobile applications for our steward team, so that they can monitor the transaction flow, communicate with the vendors and customers and collect feedback from our customers.

We operate our A-LIVING Experience Center (雅生活體驗中心) physically (i) to showcase the products and services offered on our online platform, (ii) to act as the transit service stations for express deliveries, and (iii) to provide certain on-site services. In March 2017, we launched the A-Steward Alliance (雅管家聯盟), which is a strategic alliance arrangement with service and product suppliers and certain local property management companies. As of September 30, 2017, 60 suppliers and service providers had established strategic alliance with us. We believe that through the A-Steward Alliance (雅管家聯盟), we are able to cultivate strong business ties with select local merchandise suppliers and service providers and further expand our services portfolio and enhance our services quality.

"A-Steward" (雅管家) Mobile Application

"A-Steward" (雅管家) is a resident-oriented mobile application designed to meet the diversified demands of our customers under all weather conditions and around the clock. The chart below illustrates the major players involved in our "A-Steward" (雅管家) mobile application and the interactions and relationships among them:



As of September 30, 2017, our "A-Steward" (雅管家) mobile application covered all of the residential properties managed by Agile Property Management, and had approximately over 238,900 registered users, out of which over 98,000 were active users.

We designed or selected the functions of our one-stop service platform based on our understanding of the habits and preferences of the residents through our steward' frequent interactions with the residents in order to enhance user engagement. Through "A-Steward" (雅管家), we offer both traditional property management services and value-added services. The traditional property management services offered on "A-Steward" (雅管家) include payment of property management fees and parking fees, cleaning services, security guard services, electronic entrance pass, greening and gardening services, and maintenance and repair of common areas.

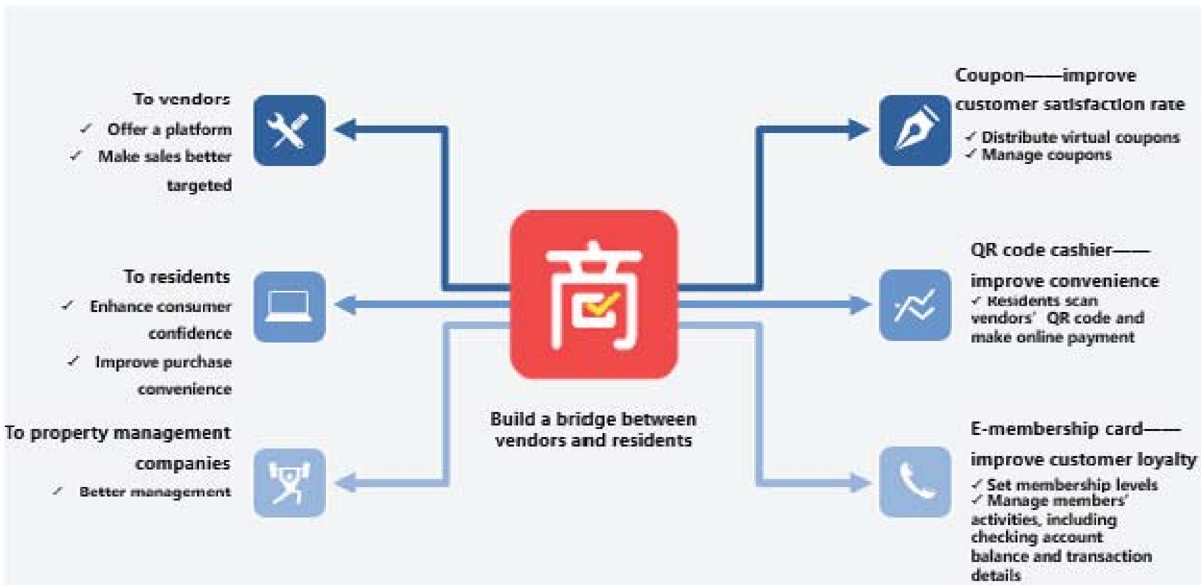
The value-added services available on "A-Steward" (雅管家) include (i) services related to properties, including maintenance and repair of household appliances and devices, decoration services and sale and rent of properties; (ii) services related to vehicles, including traffic violation check, payment of traffic fines, purchase of auto insurance, carpooling and sublet of parking spaces; (iii) services related to daily supplies including purchase of consumer goods and other daily necessities; and (iv) other services, such as laundry services, express delivery services, financial services, travel planning, medical consultation, insurance consultation and mobile phone top-up. We plan to provide education, healthcare and elderly nursing services through our one-stop service platfrom in the future.

We source products and services from approximately 50 vendors and offer them through our "A-Steward" (雅管家) mobile application. We divide these products and services into eight categories, including community e-commerce, community finance, smart home, smart car, insurance, travel, housekeeping and others.

"A-Business" (雅商家) Mobile Application

Our "A-Business" (雅商家) is a mobile application designed for vendors who provide products and services on our one-stop service platform. Through our "A-Business" (雅商家) mobile application, vendors can achieve convenient and real-time management of their online stores operated on our one-stop service platform. Our "A-Business" (雅商家) mobile application provides multiple functions tailored to the needs of local vendors, including order inquiry and management, display of products and services, sales promotion and cashier services for payments made via QR code scan. To ensure the creditworthiness of the vendors and the quality of the products and services they offer on our one-stop service platform, we set stringent prerequisites to screen the vendors before they gain access to our "A-Business" (雅商家) mobile application. Specifically, we require any vendor who wishes to sign up for "A-Business" (雅商家) to provide the contact details of the store, certain personal information of the store owner, the products and services to be offered on our one-stop service platform and a high-definition picture of its business license. As of September 30, 2017, there were approximately over 890 vendors engaged in 13 categories of business on our "A-Business" (雅商家) mobile application.

The chart below shows how we position our "A-Business" (雅商家) mobile application and its major functions and the values it offers to various parties:



"A-Assistant" (雅助手) Mobile Application

We launched our "A-Assistant" (雅助手) mobile application for our employees to manage and monitor our one-stop service platform. With the coordination and interaction between "A-Steward" (雅管家) and "A-Assistant" (雅助手), we believe that we will be able to provide better services to our customers and optimize the flow of transactions consummated on our one-stop service platform. The table below illustrates the synergies between "A-Steward" (雅管家) and "A-Assistant" (雅助手):

	A-Steward	A-Assistant	
		Coordinate with A-Steward	Improve internal management
Property management fees	We can match the phone numbers with room numbers. Residents can pay or deposit property management fees and view historical bills.	—	Observe the collection rate of property management fees
Residents authentication	We can authenticate the identity of residents via mobile phones. Once authenticated, residents can enjoy various online property management services.	—	View the status of resident authentication at any time
Contact butler	Residents can ask the butlers assigned to their building questions and receive answers on A-Steward.	On A-Assistant, we can receive and respond to queries raised through A-Steward	Monitor the overall public opinions
Visitor authorization	When needed, residents can send a QR code to their visitors via A-Steward. With the QR code the visitors will be authenticated and permitted into the community.	Visitors show their QR code to the security guard, and we can authenticate the code through A-Assistant	—
Butler report	Residents can know more about the property management services of the community by reading the reports posted on A-Steward.	We can publish announcements through A-Assistant which residents can view on A-Steward	—

		Coordinate with A-Steward	Improve internal management
Community notices	Residents can be informed of all urgent notices related to property management services in the community.	We can publish various notices on A-Steward through A-Assistant.	—
Service review	Residents can rate the services on A-Steward weekly and view the results	—	Monitor results of ratings on our services through A-Assistant.
Opinion polls	Residents can vote or comment on topics related to the community.	We can launch surveys through A-Assistant.	Monitor and analyze survey results.
Smart car cards	Car owners can be authenticated, after which car owners can enjoy various online services including traffic violation check, payment of fines, car card sharing, car card rental and car locking.	We can authenticate car cards that are tied to the corresponding cars.	Monitor the vehicles in the community.
Smart entrance pass	Residents can have their QR code scanned, after which they will be permitted into the building.	—	Monitor the entering/exiting of the community.

		Coordinate with A-Steward	Improve internal management
Entrance pass	Residents can provide necessary information through A-Steward. We can issue entrances passes based on information provided and notify residents to pick up the passes.	We can review the information received on A-Assistant and issue passes.	—
Temporary pass	Residents can apply for temporary passes through A-Steward. We can verify the information provided and issue passes.	We can review the information received on A-Assistant and issue temporary passes.	—
Complaints	Residents can file complaints along with pictures through A-Steward.	Our butlers can handle the complaints once received on A-Assistant.	Monitor and analyze the sources of complaints.
Repair and maintenance	Residents can request repair and maintenance services through A-Steward.	Our maintenance staff will take care of the problems after the requests are received on A-Assistant.	Monitor the condition of public facilities.

In 2014, 2015, 2016 and the nine months ended September 30, 2017, we spent an amount of nil, RMB0.7 million, RMB21.1 million and RMB18.6 million, respectively, on the development of our one-stop service platform.

SALES AND MARKETING

Our sales and marketing team is primarily responsible for planning and developing our overall marketing strategy, conducting market research, coordinating our sales and marketing activities to acquire new customers and maintain and strengthen our relationships with existing customers. Our headquarters manages our overall sales and marketing strategies, while our regional subsidiaries and branches oversee the implementation of our sales and marketing activities within their respective regions.

We have taken sales and marketing measures that are tailored to the following categories of customers:

Property developers

- *Agile Group and Greenland Holdings.* Most of our revenue from property management services was derived from properties developed by Agile Group during the Track Record Period. We expect properties developed by Agile Group and Greenland Holdings to be our stable source of revenue in the foreseeable future. We will maintain a long-term cooperative relationship with Agile Group and Greenland Holdings.

- *Third-party Developers.* We will endeavor to expand our cooperation with independent property developers by providing customized, diversified and quality services. Furthermore, we implement various incentive measures to encourage our employees to obtain property management contracts developed by third-party developers through investigation and analysis of and communication with target customers in the real estate industry and taking advantage of our resources, including our brands, capital and consultancy arrangements.

Property management companies

We plan to continue to promote our A-Steward Alliance (雅管家聯盟) and share the benefit of a comprehensive technology platform with local property management companies. We have been operating under the brand names of both "雅居樂物業 (Agile Property Management)" and "綠地物業 (Greenland Property Services)" since our acquisition of Greenland Property Services. We believe that our dual-brand strategy combined with the strong market recognition and reputation enjoyed by our Shareholders, Agile Group and Greenland Holdings, will put us in a strong competitive position in soliciting consultancy businesses from property management companies.

Property owners and residents

We service property owners and residents of all ages located in various regions. As a result, the habits, demands and preferences of our customers vary. We implement different marketing measures for different groups of property owners and residents. For example, for the elderly who are relatively less proficient in smart phones, we will set up interactive terminals in our A-LIVING Experience Center (雅生活体驗中心) to familiarize them with our services and our "A-Steward" (雅管家) mobile application. For younger generations who are more proficient in information technology, we serve as a gatekeeper and filter out inferior choices of services and products for them, make them actively involved in our A-Steward platform and meet their relatively higher requirements for efficiency. Moreover, we provide customized products and services, tailored to the specific localities to bring convenience to local property owners and residents.

CUSTOMERS

We have a large, growing and loyal customer base primarily consisting of property developers, property owners and residents and local property management companies. We have established stable business relationships with most of our major customers for approximately 25 years. The table below sets forth the types of our major customers for each of our three business lines.

Business Line	Major customers
Property management services	Property owners, residents and property developers and local property management companies
Value-added services to non-property owners	Property developers
Value-added services to property owners	Property owners and residents

In 2014, 2015, 2016 and the nine months ended September 30, 2017, revenue derived from sales to our five largest customers accounted for approximately 32.6%, 29.2%, 26.0% and 24.9%, respectively, of our total revenue, by aggregating the sales to the subsidiaries of Agile Group. During the same periods, revenue derived from sales to our single largest customer, which was Agile Group by aggregating the sales to the subsidiaries of Agile Group, accounted for approximately 31.3%, 28.3%, 24.5% and 21.7%, respectively, of our total revenue.

Other than Agile Group, certain of our five largest customers were our associates during the Track Record Period. Greenland Holdings, including its subsidiaries, was our second largest customer for the nine months ended September 30, 2017. Zhongshan Yahong Real Estate Development Co., Ltd., one of our five largest customers in 2014 and 2015, is an associate company of our Group in which our Group holds a 50% equity interest. The remaining 50% equity interest was held by an independent third party. Guangxi Fuya Investment Ltd., one of our five largest customers in the nine months ended September 30, 2017, is a joint venture held by our Group and a third party. Hainan Agile Hanhai Hotel Management Co., Ltd., one of our five largest customers in 2014 and 2015, is joint owned by certain connected persons of our Group, namely, Mr Chen Zhou Lin, Mr Chan Cheuk Yin, Ms Luk Sin Fong, Fion, Mr Chan Cheuk Hung, Mr Chan Cheuk Hei and Mr Chan Cheuk Nam and therefore is an associate of connected persons of our Group. The transactions with our connected persons constituted connected transactions. During the Track Record Period, the gross profit attributable to connected transactions were approximately RMB22.5 million, RMB47.8 million, RMB74.4 million and RMB81.2 million, respectively. During the Track Record Period, revenue derived from sales to our connected persons among our largest five customers accounted for approximately 32.1%, 28.9%, 24.5% and 24.2%, respectively, of our total revenue.

SUPPLIERS

We have established stable and long-term business relationship with most of our major suppliers. The table below sets forth the types of our major suppliers for our three business lines.

Business line	Major suppliers
Property management services	Sub-contractors providing cleaning, greening and gardening, and repair and maintenance services
Value-added services to non-property owners	Sub-contractors providing cleaning, greening and gardening, and repair and maintenance services
Value-added services to property owners	Vendors providing resident services

In 2014, 2015, 2016 and the nine months ended September 30, 2017, purchases from our five largest suppliers accounted for approximately 27.0%, 24.6%, 23.2%, and 18.4%, respectively, of our total purchases. For the same periods, purchases from our single largest supplier accounted for approximately 8.5%, 7.7%, 6.6%, and 5.1%, respectively, of our total purchases.

All of our five largest suppliers during the Track Record Period were independent third parties. As of the Latest Practicable Date, none of our Directors, supervisors, their close associates or any Shareholders who, to the knowledge of our Directors, owned more than 5% of our issued share capital, had any interest in any of our five largest suppliers. We do not have any long-term agreements with our top five suppliers. We typically enter into one-year agreements with our suppliers and renew them on an annual basis.

SUB-CONTRACTING

We outsource certain labor-intensive services and specialized or technical services, primarily including cleaning, greening, gardening, and repair and maintenance services, to sub-contractors, which enables us to lower our operating costs, improve service quality and dedicate more resources to management and other value-added services. Our sub-contractors specialize in the services they perform and, therefore, operate in an efficient manner. We believe such sub-contracting arrangements allow us to leverage the human resources and technical expertise of the sub-contractors, reduce our labor costs and enhance the overall profitability of our operations. In 2014, 2015, 2016 and the nine months ended September 30, 2017, sub-contracting costs amounted to RMB106.4 million, RMB138.1 million, RMB200.8 million and RMB266.2 million, respectively, representing approximately 14.6%, 17.6%, 21.5% and 33.9%, respectively, of our total cost of sales.

As of the Latest Practicable Date, none of our Directors, their close associates or any Shareholders which, to the knowledge of our Directors, owned more than 5% of our share capital had any interest in any of our five largest sub-contractors.

Selection and Management of Sub-contractors

We maintain a list of qualified sub-contractors. For each sub-contractor included in the list, we track its background, qualifications and past performance in providing sub-contracted services to us. Our list of qualified sub-contractors is subject to periodic review.

We typically engage our sub-contractors through competitive bidding process. The Quality Center of the Group selects competent suppliers that form a supplier pool. The 23 (including nine regional offices of Greenland Property Services) regional offices send invitations for bids to the suppliers in such supplier pool. The regional offices assess the bids and consider a wide range of factors, including professional qualifications, industry reputation, service quality and price competitiveness. The relevant regional office can approve the engagement.

After a selected sub-contractor commences to provide the contracted services, we regularly monitor and evaluate its performance. The sub-contractors' record will also be updated from time to time based on such evaluations. In each review, each sub-contractor will be assigned a score. Different measures will be taken against our sub-contractors according to their assigned scores. We will terminate the agreement with the sub-contractor who delivered repeated sub-standard performances and remove such sub-contractor from our list of qualified sub-contractors.

Key Terms of Our Sub-Contracting Agreement

A typical sub-contracting agreement entered into between the independent sub-contractors and us generally includes the following key terms:

- ***Term***. A sub-contracting agreement typically has a term of one year and may be renewed upon mutual consent. If the performance rendered by the sub-contractors lives up to the agreed standards, we will consider re-engaging such sub-contractors.

- ***Our responsibilities***. We are typically responsible for providing on-site staff dispatched by sub-contractors with necessary working space and facilities.

- ***Obligations of sub-contractors***. Sub-contractors are responsible for providing services in accordance with the scope, frequency and standards prescribed in the relevant sub-contracting agreements and in compliance with all applicable laws and regulations. In the event of sub-standard performance, sub-contractors are required to take necessary rectification measures within the period required by us. If they fail to do so, we have the right to claim damages, hire alternative sub-contractors to provide the contracted services and subtract any expenses incurred by us from the contract price agreed with the nonperforming or underperforming sub-contractors, or terminate the contract. Sub-contractors are required to manage their staff providing the contracted services and there is no employment relationship between us and the staff of our sub-contractors.

- ***Risk allocation***. Sub-contractors are responsible for any damage to property or personal injury caused by the fault of the sub-contractors in the course of providing the contracted services. We typically require sub-contractors to indemnify us for any damages that they cause to the properties of the residents and us. Sub-contractors are also required to pay all social insurance and housing provident funds contributions for their staff in accordance with PRC laws and bear the liabilities and responsibilities in the event of any non-compliance with applicable PRC laws or industry standards.

- ***Procurement of raw materials***. Raw materials shall be procured by the sub-contractors themselves. The procurement costs are usually included in the sub-contracting fees.

- ***Sub-contracting fees***. Sub-contracting fees are typically payable monthly, including costs incurred in connection with the procurement of raw materials, labor costs, equipment maintenance costs, tax expenses and other miscellaneous costs incurred by the sub-contractors.

- ***Termination.*** We monitor and assess the performance of sub-contractors on a regular basis and can terminate the sub-contracting agreement in the event of repeated substandard performance. The sub-contractors can terminate the sub-contracting agreement if we fail to pay the sub-contracting fee for three months consecutively.

- ***No assignment***. Sub-contractors may not assign or sub-contract their obligations to any third party without our prior consent.

QUALITY CONTROL

We prioritize quality in our services and believe quality control is crucial to the long-term success of our business. We have a professional quality control team, who primarily focus on maintaining service standards, standardizing service procedures and supervising service quality throughout our operational processes.

Quality Control over Property Management Services

We obtained the ISO 9000 international quality management system certification in 1999. In 2009, we successfully renewed the certification according to ISO 9001:2008 standards. In 2012, we successfully obtained and incorporated the ISO 14001:2004, ISO 9001:2008 and OHSAS 18001:2007 certifications into our procedures, in recognition of our service quality. We implement a "three-in-one" quality control system by aligning ISO 9001, ISO 14001 and OHSAS 18001, which provides an all-round quality control guidance to our daily operations and minimize disruption to our operations and related costs that we would otherwise incur.

To ensure consistent and high-quality services, we standardize our property management services across all our managed properties. For example, we require our property management staff to complete inspection checklists after each round of regularly-scheduled inspections to monitor and record their most updated conditions. The checklists are specifically designed for different types of devices and equipment. We have also adopted a dual evaluation system comprising our internal supervision and external feedback, which enables us to effectively manage the quality of our services and enhance our customers' experience. For more details about our standardization initiatives and our dual valuation system, please refer to the sub-section entitled "—Management Digitalization, Service Professionalization, Procedure Standardization and Operation Automation" in this section.

Quality Control over Sub-contractors

We typically include in the agreements with sub-contractors detailed quality standards for the services to be provided. We regularly monitor and evaluate the performance of the sub-contractors and may require the sub-contractors to take necessary rectification measures when their services do not meet the agreed standards. We also conduct annual surveys among property owners and residents regarding the quality of services provided by our sub-contractors. We have the contractual right to adjust the sub-contracting fees and decide whether to continue our subcontracting contract depending on the outcomes of such surveys. For more details, please refer to the sub-section entitled "—Our Sub-contracting—Selection and Management of Sub-contractors" in this section.

Quality Control over Third-party Vendors

We implement a variety of measures and policies to ensure the quality of the products and services offered by third-party vendors, such as screening candidate vendors before entering into cooperation agreements with them. The vendors are also required to indemnify us for losses incurred due to their defective products or substandard services. We also have the right to replace a third-party vendor in the event of substandard performance.

Feedback and Complaint Management

During the ordinary course of our business operations, we receive feedback, suggestions and complaints (such as report of loss of properties and request for repair of public facilities) from property owners and residents of the properties we manage from time to time regarding our services. We have established internal procedures to record, process and respond to the feedback, suggestions and complaints and conduct follow-up reviews of the results of our responses. We require that all requests and complaints from our customers be responded to within eight hours, with a specific timeline to solve the problems. Requests and complaints that do not get addressed within the specified timeline will be escalated in our management system and will be ultimately addressed. We will revisit our customers within 48 hours after their problems get resolved, and thus ensure that the results are satisfactory to our customers and their confidence in our services is restored.

In order to provide better customer experience and enhance our customer service, we offer a service hotline (400-698-3383) for residents living in the residential properties we manage, which has been up and running since 2014. Through the hotline, our customers can inquire about our services, provide us with their complaints and feedback as well as order products that are advertised on our service platform.

During the Track Record Period, we did not experience any customer complaints about our services or products that would have a material adverse impact on our operations or financial results.

RESEARCH AND DEVELOPMENT

As of September 30, 2017, we had a team of 59 research and development personnel, most of whom have college degrees. Our in-house research and development team is primarily responsible for the maintenance of our "A-Steward" (雅管家), "A-Assistant" (雅助手) and "A-Business" (雅商家) mobile applications and our community comprehensive management system, e-commerce transaction system and housing management system.

Our total expenditure for research and development amounted to nil, RMB0.5 million, RMB6.7 million and RMB4.8 million, respectively, in 2014, 2015, 2016 and the nine months ended September 30, 2017, respectively.

INTELLECTUAL PROPERTY

We regard our intellectual property rights as critical to our success. We primarily rely on laws and regulations on trademarks and trade secrets and our employees' and third parties' contractual commitments to confidentiality and non-competition to protect our intellectual property rights. As of the Latest Practicable Date, we had 15 copyrights for our self-developed software, nine trademarks and 26 domain names registered in the PRC and six patent applications pending approval by PRC State Intellectual Property Office. As of the Latest Practicable Date, we applied to register five trademarks.

We use a trademark to market our services under the brand of "Agile," which is held by one of our related parties, Stand Power Investments Limited, an indirect wholly-owned subsidiary of Agile Holdings. We have entered into a trademark license agreement with Agile Holdings and Greenland Holdings, respectively, for the use of the "Agile" and "Greenland" trademarks on a royalty free basis. For further details, see the sections entitled "Connected Transactions—(A) Continuing Connected Transactions Fully Exempt from the Reporting, Annual Review, Announcement and Independent Shareholders' Approval Requirements—1. Trademark Licensing Agreements" and "Risk Factors—Risks Relating to Our Business and Industry—Our failure to protect our intellectual property rights could have a negative impact on our business and competitive position" in this prospectus.

As of the Latest Practicable Date, we were not aware of (a) any infringement which could have a material adverse effect on our business operations by our Group against any intellectual property rights of any third party or by any third party against any intellectual property rights of our Group, or (b) any disputes with third parties with respect to intellectual property rights.

AWARDS AND RECOGNITION

The following tables set forth some of our awards received as of the Latest Practicable Date:

Year	Award/Recognition	Awarding Entity
2017	China Blue Chip Property Company	The Economic Observer
2017	2018 China Property Management Association Group Standard Drafting Company	China Property Management Association
2017	Top 20 of 2017 Top 100 Property Management Companies in China (2017中國物業服務百强企業)	CIA
2017	No. 6 of 2017 China Property Management Leading Brand in Service Specialization (2017中國物業服務專業化運營領先品牌企業)	CIA
2017	2017 China Leading Property Management Companies in terms of Customer Satisfaction (2017中國物業服務百强滿意度領先企業)	CIA
2017	2017 China Leading Property Management Companies in terms of Service Quality (2017中國物業服務百强服務質量領先企業)	CIA
2017	2017 China Leading Property Management Companies in terms of Specialty Services—Leading Brand in Vacation Property Management (2017中國特色物業服務領先企業—旅遊地產物業管理領先品牌)	CIA
2017	3.15 Integrity System Entity (3·15誠信體系單位)	China Foundation of Consumer Protection
2017	3.15 Trustworthy Brands/Products (3·15放心消費品牌/產品)	China Foundation of Consumer Protection
2017	2017 Leading Brand in Property Management Operations of China (2017中國物業服務運營領先品牌企業)	CIA
2016	2016 Top 100 Property Management Companies of China (2016中國物業服務百强企業)	CIA
2015	AAA+ Quality Credit Enterprise of China (AAA+中國質量信用企業)	The Quality Surveillance and Promotion Working Committee of China, Huaxia Zhongcheng (Beijing) Brand Management Center

Year	Award/Recognition	Awarding Entity
2014	Green Residential Community in Guangdong (廣東省綠色住區)	The Real Estate Industry Association of Guangdong province
2013	Model Property Management Communities of China (全國物業管理示範住宅小區)	Ministry of Housing and Urban-Rural Development of the PRC
2013	Model Harmonious Communities of China (全國和諧社區建設示範社區)	Ministry of Civil Affairs of the PRC

COMPETITION

The property management industry in the PRC is highly competitive and fragmented with numerous market participants. We believe that the PRC property management industry has relatively low entry barriers for the mid-tier and low-end segments but relatively higher entry barriers for the high-end segment. As a reputable player in mid- to high-end property management, according to CIA, our property management services primarily compete against large national property management companies. In 2017, we were ranked 12th among the property management companies in China in terms of brand value and overall strength by China Real Estate Industry Association and China Real Estate Appraisal Center. In 2017, we were ranked 13th among the Top 100 Property Management Companies in terms of overall strength by CIA.

We believe that the principal competitive factors include, among others, operation scale, price and quality of services, brand recognition and financial resources.

For more details about the industry and markets that we operate in, please refer to the section entitled "Industry Overview" in this prospectus.

SOCIAL, HEALTH, SAFETY AND ENVIRONMENTAL MATTERS

We are subject to PRC laws in relation to labor, safety and environment protection matters. In addition, we have established occupational safety and sanitation systems, implemented the ISO14001 and OHSAS18001 standards, and provided employees with workplace safety trainings on a regular basis to increase their awareness of work safety issues. During the Track Record Period and up to the Latest Practicable Date, we had complied with PRC laws in relation to workplace safety in all material respects and had not had any incidents which have materially and adversely affected our operations.

We consider the protection of the environment to be important and have implemented measures in the operation of our businesses to ensure our compliance with all applicable requirements. Given the nature of our operations, we do not believe we are subject to material environmental liability risk or compliance costs. During the Track Record Period and up to the Latest Practicable Date, no fines or penalties for non-compliance of PRC environmental laws had been imposed on us, and we have not been subject to any material administrative penalties due to violation of environmental laws in the PRC.

INSURANCE

We believe that our insurance coverage is in line with the industry practice in the PRC. We maintain insurance policies against major risks and liabilities arising from our business operations, primarily including (i) liability insurance to cover liabilities for property damages or personal injury suffered by third parties arising out of or related to our business operations, and (ii) property insurance for damages to both movable and immovable property owned by us or in our custody. We require our sub-contractors to purchase accident insurance for their employees who provide services to our Group, and in accordance with our agreements with sub-contractors, the sub-contractors are responsible for all workplace injuries to their employees, except for the injuries directly attributable to us.

We are covered by property and liability insurance policies with coverage features that we believe are customary for similar companies in the PRC. However, our insurance coverage may not adequately protect us against certain operating risks and other hazards, which may result in adverse effects on our business. For more details, please refer to the section entitled "Risk Factors—Risks Relating to Our Business and Industry—Our insurance may not sufficiently cover, or may not cover at all, losses and liabilities we may encounter" in this prospectus.

EMPLOYEES

We place strong emphasis on recruiting quality personnel. We recruit talent from universities and other companies and provide on-going training and development opportunities to our staff members.

As of September 30, 2017, we had a total of 11,793 full time employees in the PRC. The following table sets forth a breakdown of our employees by function as of September 30, 2017:

Function	Number of employees	% of total
Management	51	0.4
Finance and Investment Center	173	1.5
Quality Center	111	0.9
Enterprise Development Center	71	0.6
Human Resource and Administration Center	188	1.6
Business Operation Center	358	3.0
Specialized Companies(1)	229	1.9
Property Management Service Center	9,877	83.7
Greenland Property Services	735	6.4
Total	**11,793**	**100.0**

Note:

(1) Specialized companies include Guangzhou Yafang, Guangzhou Yazhuo, Guangzhou Yatian and Guangzhou Yatao.

The following table sets forth a breakdown of our employees by geographic location as of September 30, 2017:

Location	Number of employees	% of total
Headquarters	135	1.1
Specialized Companies[1]	247	2.1
Greenland Property Services	735	6.3
Guangzhou	2,243	19.0
Zhongshan	2,788	23.6
Chengdu	607	5.1
Hainan	1,465	12.4
Nanjing	581	4.9
Shanghai	432	3.7
Shenzhen	1,348	11.4
Xi'an	421	3.6
Yunnan	459	3.9
Beijing	8	0.1
Shenyang	83	0.7
Zhengzhou	213	1.8
Wuhan	28	0.3
Total	**11,793**	**100.0**

Note:

(1) Specialized companies include Guangzhou Yafang, Guangzhou Yazhuo, Guangzhou Yatian and Guangzhou Yatao.

To manage our human resources more efficiently and effectively, we categorize our employees into four levels:

- Level 1: our President;
- Level 2: our Vice Presidents, General Managers, Vice General Managers;
- Level 3: our Department Managers and Directors; and
- Level 4: the grassroots level management and operation teams.

According to the relevant PRC laws and regulations, we make contributions to social insurance fund (including pension fund, medical insurance, unemployment insurance, work-related injury insurance, and maternity insurance) and housing provident fund for the benefit of our PRC employees. In 2014, 2015, 2016 and the nine months ended September 30, 2017, the total amount of contributions we made for such social insurance was approximately RMB40.8 million, RMB46.2 million, RMB63.4 million and RMB59.5 million, respectively. For the same periods, the total amount of contributions we made for housing provident fund was approximately RMB8.4 million, RMB9.2 million, RMB11.8 million and RMB12.5 million, respectively. During the Track Record Period, our Company and some of its PRC subsidiaries did not make in full contribution to the social insurance fund and housing provident fund as required under PRC law. See the section entitled "Risk Factors—Risks Relating to Our Business and Industry—We may be subject to fines for our failure to register for and/or contribute to social insurance fund and housing provident fund on behalf of some of our employees" in this prospectus and "—Legal Proceedings and Compliance—Historical non-compliance incidents" below for details.

As of the Latest Practicable Date, our employees did not form any labor union, nor did we have a Chinese Communist Party Committee. During the Track Record Period and up to the Latest Practicable Date, we did not experience any significant difficulties in recruiting suitable employees for our business operations. Neither did we have any material disputes with our employees, or experience any strike, labor disputes or industrial actions that may have a material adverse effect on our business, financial position and results of operations.

Recruiting

We endeavor to hire the best talented employees in the market by offering competitive wages and benefits, systematic training opportunities and internal upward mobility. Our recruiting processes primarily comprise the following stages:

- **demand for talent.** Departments in need of employees report their demand and provide detailed position descriptions and requirements.

- **candidate sourcing.** We source candidates through a variety of channels including online advertisements, headhunters and employee referrals.

- **screening and selection.** Our screening and selection processes primarily include (i) review and screening of resumes by our human resource department, (ii) selection of resumes by the department in need, and (iii) face-to-face interviews by the human resource department and the department in need.

- **hiring.** We assign the selected candidates to specific positions, set their salaries and go through internal approval for hiring such candidates. Once approved, we send offer letters to the selected candidates.

- **evaluation of recruitment.** From time to time, we evaluate our recruiting process and effects, and optimize our recruiting criteria and process accordingly.

Training

We provide systematic and extensive training programs to our employees. Our employee training programs are primarily classified into the following categories:

- For the growth of our businesses: We offer various training programs relating to our businesses to familiarize our employees with our operations and businesses, including trainings to improve the quality of our property management services, trainings relating to value-added services and trainings to facilitate the development of our Company. The training programs for the growth of our businesses include, among others:

  - our quality control system and standards: to introduce our latest quality control rules and standards;

  - sub-contractor supervision and management: to introduce how to conduct daily supervision and management of sub-contractors and ensure they perform to our standards and to the satisfaction of our customers;

- ○ service diversification and quality control: to teach our employees how to maintain the quality of our various value-added services;

- ○ takeover procedures and standards: to introduce the inspection procedures we need when we take over a new property for management;

- ○ digitalization system: to familiarize our employees with our digitalization system such as the electronic entrance control and carpark management systems;

- ○ ISO certification and standards: to introduce the ISO certifications we have obtained and the implication on our daily operations;

- ○ compliance and risk management: to introduce the laws and regulations relating to property management industry and the common disputes and risks to avoid;

- ○ one-stop furnishing services: to introduce our one-stop furnishing services and quality control standards;

- ○ travel agency services: to introduce our travel agency services and specific products; and

- ○ management of commercial properties: to introduce services tailored to commercial properties.

- For the growth of our employees: We attach importance to the development of each of our employee. We offer a personnel training program, an internal trainer development program and a new hire training program. Our training programs for the growth of our employees include, among others:

  - ○ property manager training: to provide comprehensive trainings covering all major aspects of property management to our property managers who are the principals for specific properties we manage;

  - ○ department manager training: to provide specific trainings focusing on different aspects of our services, such as customer service, security service and environmental protection, to our department managers who are responsible for such aspect of service;

  - ○ trainer development trainings: to provide trainings to our internal trainers to enhance their proficiency in our business and operations and their training skills; and

  - ○ senior management trainings: to provide training trips, including overseas trips, to our management of and above level 2 to learn from renowned service providers.

- For the growth of teams: We provide opportunities for teambuilding and for team members to make joint progress. Specifically, we offer a “benchmark” program under which we set certain outstanding employees as benchmark for others to learn from. We also arrange and sponsor certain employees to study abroad and learn the leading concepts and advanced experience of the industry overseas. The training programs for the growth of teams include, among others:

- industry forum: to participate in large-scale forums of the property management industry and the Internet industry to connect to the cutting-edge technologies and strengthen professional skills; and

- target learning: by reference to the well-known companies in the industry as the target for specific services, to help our team find the gap between us and the target, catch up with the target and adapt to the rapidly evolving market.

OUR CASH MANAGEMENT POLICY

We have a bank account and cash management system to manage the cash inflows and outflows of our subsidiaries and branches in their ordinary course of business. We monitor the work process of our subsidiaries and branches and approve their bank account opening and cash payments at our Guangzhou headquarters. Moreover, we set the upper limit of cash on hand for our subsidiaries and branches and require them to keep their cash on hand at or below RMB30,000 in their ordinary course of business. Our subsidiaries and branches shall deposit all cash received before 16:00 in their bank accounts before noon the next day. We take stock of the bank accounts and check the cash balances daily and reconciliate the accounts monthly to lower the risks associated with cash management. Furthermore, we encourage our subsidiaries and branches to settle their transactions through bank transfers to enhance the safety of funds management.

Cash flow transactions	Cash handling policies and internal control measures
Payments of property management fees from property owners and residents to our subsidiaries and branches	We require our subsidiaries and branches to deposit all cash received in their bank accounts in a timely manner. We check the bank account balances of our subsidiaries and branches on a regular basis.
Cash transfers from our subsidiaries' and branches' bank accounts to our Company's centralized bank account	We transfer the cash deposited in the bank accounts of our subsidiaries and branches to our Company's centralized bank account monthly through a bank-corporation direct transfer channel.
Cash transfers from our Company's centralized bank account to the bank accounts of our subsidiaries and branches	We transfer cash from our Company's centralized bank account to our subsidiaries and branches once our management team have reviewed and approved the cash budgets and plans proposed by our subsidiaries and branches.

Cash flow transactions	Cash handling policies and internal control measures
Payments made to suppliers, service providers and subcontractors of our subsidiaries and branches	Payments by our subsidiaries and branches to their suppliers, service providers and subcontractors shall be pre-approved by the responsible supervising personnel at a higher level. Once approved, such payments shall be made directly from the bank accounts of our subsidiaries and branches. We check and monitor the bank account balances and balances of cash on hand of our subsidiaries and branches on a regular basis. We require our subsidiaries and branches to conduct daily check and monthly reconciliation to identify any discrepancy among their bank account balance, cash on hand and internal accounting system on a timely basis. Any discrepancy will be analyzed and resolved timely. Various levels of management approve payment applications according to the authority assigned to them by our internal manual.

INTERNAL CONTROL AND RISK MANAGEMENT

We have implemented various risk management policies and measures to identify, assess and manage risks arising from our operations. Details on risk categories identified by our management, internal and external reporting mechanism, remedial measures and contingency management have been codified in our policies. For details of the major risks identified by our management, see the section entitled "Risk Factors—Risks Relating to Our Business and Industry" in this prospectus.

In addition, we face various financial risks, including interest rate, price, credit and liquidity risks that arise during our ordinary course of business. See the section entitled "Financial Information—Quantitative and Qualitative Analysis about Market Risk" in this prospectus for a discussion of these financial risks.

To monitor the ongoing implementation of our risk management policies and corporate governance measures after the Global Offering, we have adopted or will adopt, among other things, the following risk management and internal control measures:

- the establishment of an audit committee responsible for overseeing our financial records, internal control procedures and risk management systems. See the section entitled "Directors, Supervisors and Senior Management—Board Committees—Audit Committee" in this prospectus for the qualifications and experience of these committee members as well as a detailed description of the responsibility of our audit committee;

- the appointment of Mr. Li Dalong as our chief financial officer and Mr. Li Dalong and Ms. Choy Yee Man as our joint company secretaries to ensure the compliance of our operation with relevant laws and regulations. For their biographical details, see the section entitled "Directors, Supervisors and Senior Management" in this prospectus;

- the appointment of Ballas Capital Limited as our compliance advisor upon the Listing to advise us on compliance with the Listing Rules; and

- the engagement of external legal advisors to advise us on compliance with the Listing Rules and to ensure our compliance with relevant regulatory requirements and applicable laws, where necessary.

Finally, we adopt before the Global Offering, various internal regulations against corrupt and fraudulent activities, which includes measures against receiving bribes and kickbacks, and misuse of company assets. Major measures and procedures to implement such regulations include:

- authorizing our audit department to assume responsibility for daily execution of our anti-corruption and anti-fraud measures, including handling complaints, ensuring protection for the whistleblower and conducting internal investigations;

- providing anti-corruption compliance training periodically to our senior management and employees to enhance their knowledge and compliance with applicable laws and regulations, and including relevant policies and express prohibitions against non-compliance in staff handbooks; and

- undertaking rectification measures with respect to any identified corrupt or fraudulent activities, evaluating the identified corrupt or fraudulent activities and proposing and establishing preventative measures to avoid future non-compliance.

Our Directors are of the view that such controls and measures are sufficient and effective to avoid the occurrence of corruption, bribery, or other improper conduct of our employees. During the Track Record Period and up to the Latest Practicable Date, we were not subject to any government investigation or litigation with respect to claims or allegations of monetary and non-monetary bribery activities.

PROPERTIES

As of the Latest Practicable Date, we owned 73 properties, including our parking spaces, commercial properties, clubhouses and offices, in various locations in the PRC with an aggregated GFA of approximately 33,014 sq.m., which we held for self-use or sale (in the case of parking spaces). We have obtained the building title certificates for all the properties we own.

We also lease 192 properties in various locations with an aggregated GFA of approximately 86,529 sq.m. for use as office, business operations and staff accommodation.

As of the Latest Practicable Date, we had not filed the lease agreements for 145 out of our 192 leased properties with the local housing administration authorities as required under PRC law, primarily due to a lack of cooperation from the landlords in registering the relevant lease agreements, which was beyond our control. We were advised by our PRC Legal Advisor, King & Wood Mallesons, that we might be ordered to rectify this non-compliance by competent authorities and if we fail to rectify within a prescribed period, a penalty of RMB1,000 to RMB10,000 per agreement may be imposed on us as a result of such non-filing. The estimated total amount of penalty for our failure to file these 145 lease agreements is approximately RMB145,000 to RMB1,450,000. As of the Latest Practicable Date, we had not received any notice from any regulatory authority with respect to potential administrative penalties or enforcement actions as a result of our failure to file the lease agreements described above. Our PRC Legal Advisor has advised us that the failure to file the lease agreements would not affect the validity of the lease agreements. For more information relating to risks associated with this non-filing, please refer to the section entitled "Risk Factors—Risks Relating to Our Business and Industry—Some of our lease agreements have not been filed with the relevant PRC authorities and, as a result, we might be subject to administrative fines" in this prospectus.

In the event that we are required by the competent authorities to make lease registration, we intend to find alternative locations nearby and relocate in a relatively short time. Given the nature of our business, we do not believe relocation of any of such leased properties would cause any material disruption to our operations. Although we may incur additional relocation costs, our Directors believe that there will not be any material impact on our business, operations or financial position.

We had no single property with a carrying amount of 15% or more of our total assets as of the Latest Practicable Date and, therefore, we did not need to prepare a valuation report with respect to our property interests in reliance upon the exemption provided by Section 6(2) of the Companies Ordinance (Exemption of Companies and Prospectus from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

LEGAL PROCEEDINGS AND COMPLIANCE

Legal proceedings

From time to time we may be involved in legal proceedings or disputes in the ordinary course of business, such as contract disputes with our customers and suppliers. Except as disclosed above, as of the Latest Practicable Date, there were no litigation or arbitration proceedings or administrative proceedings pending or threatened against us or any of our Directors which would have a material adverse effect on our business, financial position or results of operations.

Licenses, approvals and permits

As advised by our PRC Legal Advisor, King & Wood Mallesons, our Directors confirm that, as of the Latest Practicable Date, we had obtained all material licenses, approvals and permits from relevant PRC authorities for our operations in the PRC.

Historical Non-compliance Incidents

We set out below the non-compliance incidents relating to us during the Track Record Period:

Non-compliance incidents	Reasons for the non-compliance	Legal consequences and potential maximum penalties	Remedies and rectification measures taken
Social insurance fund and housing provident Fund During the Track Record Period, our Company and some of our PRC subsidiaries and branch offices failed to make full contribution to the social insurance and housing provident funds for some of our employees as required under PRC law. As of September 30, 2017, the aggregate amount incurred and accrued was approximately RMB8.8 million.	These non-compliance incidents were primarily because: (i) some of our employees were migrant workers and not willing to participate in the social welfare schemes of the city in which they migrate temporarily; and (ii) the staff who were formerly in charge of this matter did not fully understand the different regulatory requirements in areas where we operated.	According to the relevant PRC laws and regulations, in respect of overdue social insurance contributions, (a) the relevant PRC authorities may demand us to pay the outstanding social insurance contributions within a stipulated deadline and we may be liable to a late payment fee equal to 0.05% of the outstanding amount for each day of delay; if we fail to make such payments, we may be liable to a fine of one to three times the amount of the outstanding contributions; and (b) in respect of outstanding housing provident fund contributions, we may be ordered to pay the outstanding housing provident fund contributions within a prescribed time period.	Our Company and our PRC subsidiaries and branch offices have obtained written and oral confirmations from local social insurance and housing provident fund authorities, each stating that: (i) no administrative penalty has been imposed; and (ii) the relevant subsidiary / branch office was in compliance with the respective laws and regulations. We are advised by our PRC Legal Advisor that the relevant written and oral confirmations were issued or made by the competent authorities. Our Controlling Shareholder, Zhongshan A-Living, undertakes that in the event that we receive requests from the relevant authorities to pay the overdue social insurance and housing provident funds contributions, or that we are required to pay any late charges or penalties as a result of such overdue contributions, Zhongshan A-Living will pay for us the overdue contributions and any late charges and penalties imposed by the relevant authorities. We have started arranging the payment of social insurance and housing provident funds contributions for our employees since August 2017 and have made contributions for all of our employees starting from October 2017. Based on the communications with the relevant government authorities, the

Non-compliance incidents	Reasons for the non-compliance	Legal consequences and potential maximum penalties	Remedies and rectification measures taken
			adjustment of the contribution base is usually made in a designated time each year and such time varies in different regions. As such, we expect to make full contribution for all our employees on an adjusted contribution base in the second half of 2018. We made provisions in the total amount of RMB1.4 million, RMB2.2 million, RMB3.8 million and RMB1.4 million, respectively, on our financial statements in respect of such potential liabilities in 2014, 2015, 2016 and the nine months ended September 30, 2017. We are in the process of establishing an internal control policy that requires full compliance with the relevant laws and regulations on social insurance fund and housing provident fund and designating an officer who is familiar with the relevant requirements to enforce the policy and avoid future non-compliance. Once such internal control policy has been established, our human resources department will submit semi-annual reports to the audit committee in respect of the status of the social insurance and housing provident funds contributions. Our Directors are of the opinion that this incident will not have a material adverse impact on our business or results of operations for the following reasons: (i) the written confirmations obtained from the relevant competent local authorities described above; (ii) we have made provisions in connection with this non-compliance for relevant periods; (iii) we are in the process of establishing an internal control policy to ensure our ongoing compliance with

Non-compliance incidents	Reasons for the non-compliance	Legal consequences and potential maximum penalties	Remedies and rectification measures taken
			the relevant laws and regulations on social insurance fund and housing provident fund contributions; (iv) the PRC Legal Advisor's opinion that such non-compliance incidents will not result in any substantial impediment to the Listing; and (v) our Controlling Shareholder, Zhong Shan A-Living, has undertaken to pay any overdue contributions for us if required by the relevant governmental authorities.
Tax related non-compliance			
During the Track Record Period, some of our PRC subsidiaries had delayed in tax filings or tax registration, failed to issue, keep or file tax invoices, or failed to withhold and remit individual income tax.	Such non-compliance incidents were due to inadvertent oversight of the responsible personnel of our relevant PRC subsidiaries.	According to the relevant PRC laws and regulations, in respect of our tax related non-compliance incidents, the relevant PRC authorities may demand us to make rectification within a prescribed time limit and pay fines. The relevant competent tax authorities imposed on us fines in an aggregate amount of approximately RMB18,330 during the Track Record Period.	We paid the fines in an aggregate amount of approximately RMB18,330 and made the relevant filings. Our Company and our PRC subsidiaries and branch offices have obtained written confirmations from relevant tax authorities stating that, we were not subject to any other fines or penalties relating to tax. As advised by our PRC Legal Advisor, King & Wood Mallesons, such written confirmations were issued by the competent authorities. We have implemented several internal control measures to enhance our management on tax related matters, requiring independent staff to examine whether tax related matters, including tax filings and tax payment, have been timely conducted. We will examine the compliance of tax related matter and present such matters periodically. If necessary, we will consult with our tax advisors and PRC Legal Advisor for their advice.

Non-compliance incidents	Reasons for the non-compliance	Legal consequences and potential maximum penalties	Remedies and rectification measures taken
Property management fee rate filing			
During the Track Record Period, one of our PRC branch offices, Guangzhou Property Management Service Co., Ltd. Panyu Branch failed to file with the local government its charged property management fee rate which was higher than the guidance price set by the local government. The aggregate amount of revenue in relation to the property management fee charged at a higher rate than the guidance price set by the local government was RMB13.3 million during the Track Record Period.	Such incident was due to inadvertent oversight of the responsible personnel of Guangzhou Property Management Service Co., Ltd. Panyu Branch.	According to the relevant PRC laws and regulations, in respect of the nonregistration of property management fee rate, the relevant PRC authorities may demand us to complete the filing within a prescribed time limit, confiscate our excess gains with reference to the local guidance prices, and demand us to pay fines for such non-compliance. On December 15, 2014, the Price Administration of Panyu Guangzhou issued an Administrative Penalty Decision, confiscating illegal gains and imposing a fine in an aggregate amount of RMB1.1 million.	We had paid the fine in full and had not received notice of any further penalty in relation to this non-compliance incident as of the Latest Practicable Date. In order to ensure our ongoing compliance with the relevant regulations on property management fee filing, we have implemented several internal control measures, including (i) our regional offices to make a filing of a preliminary property management contract with the relevant governmental authorities, and prepare a register to keep track of the filings; and (ii) our Human Resource and Administration Center and Auditing and Supervision Center to jointly review and check the register of the filings and other relevant documents from time to time and to ask the relevant person in charge of such filing to rectify if there is any non-compliance. Our Directors are of the opinion that this incident will not have a material adverse impact on us, and we believe we have implemented adequate and effective measures internally.

OVERVIEW

Our Company was established in the PRC as a limited liability company on June 26, 1997 and was converted into a joint stock company with limited liability on July 21, 2017. Immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised), Zhongshan A-Living, one of our Controlling Shareholders, will hold approximately 53.46% of our Company's total issued share capital, and our other Controlling Shareholders, being Mr. Chen Zhuo Lin (陳卓林), Mr. Chan Cheuk Yin (陳卓賢), Ms. Luk Sin Fong, Fion (陸倩芳), Mr. Chan Cheuk Hung (陳卓雄), Mr. Chan Cheuk Hei (陳卓喜), Mr. Chan Cheuk Nam (陳卓南), Full Choice Investments Limited, Top Coast Investment Limited, Agile Holdings, Eastern Supreme, Genesis Global, Makel International and Deluxe Star, will be deemed to be interested in approximately 54.00% of our Company's total issued share capital.

The Parent Group is principally engaged in property development, property investment, hotel operations, environmental protection, intelligent engineering, design and other related services (the "**Retained Business**").

As of the Latest Practicable Date, the Parent Group had equity interest in two companies, namely, Guangxi Lihe Property Services Limited (廣西利合物業服務有限公司) ("**Guangxi Lihe**") and Guangzhou Lihe Property Services Limited (廣州利合物業服務有限公司) ("**Guangzhou Lihe**"), each of which was established for or was engaged in property management business.

(i) Guangxi Lihe

Guangxi Lihe was established for the purpose of providing property management services to a project in Guangxi jointly developed by the Parent Group and another property developer which is an Independent Third Party. Guangxi Lihe is wholly-owned by a real estate development company, in which the Parent Group and the other independent property developer holds 50% equity interest, respectively. However, due to lack of the required level of property management service qualification, Guangxi Lihe has not provided any property management service since its establishment. Agile Holdings has undertaken to our Company that it will procure Guangxi Lihe not to commence any business related to property management in the future.

(ii) Guangzhou Lihe

Guangzhou Lihe was established for the purpose of providing property management services to a particular property development project in Guangzhou developed by a real estate development company (the "**Guangzhou Project Company**") which is held as to 20% each by the Parent Group and four other property developers who are Independent Third Parties. As of the Latest Practicable Date, Guangzhou Lihe was providing property management services to the said property development project in Guangzhou and has not provided property management services to any other property development project.

Based on the audit reports of Guangzhou Lihe, for the three years ended December 31, 2016, the revenue of Guangzhou Lihe were approximately RMB43.1 million, RMB46.6 million and RMB57.6 million and the profit were nil, approximately RMB1.9 million and RMB1.8 million, respectively.

Agile Holdings has undertaken to our Group that if there is any potential conflict between the Guangzhou Project Company and our Group in the future, Agile Holdings will procure its relevant subsidiary to abstain from voting in relevant shareholders' resolutions of Guangzhou Lihe and our Company, and Guangzhou Lihe has confirmed to us that it will not provide property management services to projects developed by other real estate development companies in the future.

As of the Latest Practicable Date, Mr. Chen Zhuo Lin, Mr. Chan Cheuk Yin, Ms. Luk Sin Fong, Fion, Mr. Chan Cheuk Hung, Mr. Chan Cheuk Hei and Mr. Chan Cheuk Nam, were also involved in the business of operating golf courses, hotel and ecological science and technology via various companies owned by them.

Each of Full Choice Investments Limited, Top Coast Investment Limited, Eastern Supreme, Genesis Global, Makel International, Deluxe Star and Zhongshan A-Living is an investment holding company.

Based on the above, our Directors consider that there is no significant overlap of businesses between the Controlling Shareholders and our Group. Save as described above, none of our Controlling Shareholders is interested in any business which is, whether directly or indirectly, in competition with our business.

DELINEATION OF BUSINESS

Our Directors are of the view that there is clear delineation between the Retained Business and our business, as a result, none of the Retained Business would compete, or is expected to compete, directly or indirectly, with our business.

The table below sets forth the principal businesses of our Group and the Parent Group as of the Latest Practicable Date:

Name of company	Principal business operations
Our Group	property management, property sales, property inspection, advertising and public relations and tourism services
Parent Group	property development, property investment, hotel operations, environmental protection, intelligent engineering, design and other related services

Given the difference between the major business operations of our Group and the Parent Group, there is a clear delineation between the businesses of our Group and the Parent Group and our Directors are of the view that there is no significant overlap or competition of the businesses of the our Group and the Parent Group.

To ensure that competition will not exist in the future, each of our Controlling Shareholders has entered into the Deed of Non-Competition in favor of our Company to the effect that each of them will not, and will procure each of their respective close associates not to, directly or indirectly participate in, or hold any right or interest, or otherwise be involved in any business which may be in competition with our business, further details of which are set out in the paragraph entitled "—Deed of Non-Competition" below.

As of the Latest Practicable Date, none of our Controlling Shareholders, our Directors and their respective close associates had any interest in any business which competes or is likely to compete, either directly or indirectly with our Company's business which would require disclosure under Rule 8.10 of the Listing Rules, save as disclosed above and in the section entitled "Directors, Supervisors and Senior Management" of this prospectus.

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS

We believe that we are capable of carrying on our business independently of our Controlling Shareholders and their respective associates (other than our Group) after Listing for the following reasons:

Management Independence

Our Board comprises four executive Directors, two non-executive Directors and three independent non-executive Directors. Two of the Directors hold various directorships in the Parent Group, namely Mr. Huang Fengchao who serves as an executive director in both Agile Holdings and our Company and Mr. Chan Cheuk Hung who serves as a non-executive Director in our Company while serving as an executive director in Agile Holdings.

Other than Mr. Huang Fengchao and Mr. Chan Cheuk Hung, none of our other Directors holds any directorship or senior management role in the Parent Group. Mr. Chan Cheuk Hung is a non-executive Director and co-chairman in our Company and will not be involved in the day-to-day management or affairs and operations of our businesses. Although Mr. Huang Fengchao is an executive director of both Agile Holdings and our Company, when performing his duty as an executive director, he has been and will continue to be supported by the separate and independent senior management team of the Parent Group and our Group.

The independent senior management team of our Group is led by a core management team comprising Mr. Liu Deming (劉德明), Mr. Dong Yafu (董亞夫), Mr. Li Dalong (李大龍), Mr. Zhong Jinxiu (鐘錦綉), Mr. Tan Zhiping (譚志平) and Ms. Zhang Yanling (張彥玲), some of whom have served our Group for many years with over 10 years of working experience in the field of property management service. They form part of our core management team together and made material decisions in our business operation and project development during the Track Record Period. There is no overlapping personnel between the senior management team of our Group and the Parent Group.

In the event that the two overlapping Directors are required to abstain from any board meeting of our Company on any matter which may give rise to a potential conflict of interest with the Parent Group, the remaining Directors will have sufficient expertise and experience to fully consider any such matter. Notwithstanding the two overlapping Directors, our Directors, including the independent non-executive Directors, are of the view that our Board is able to manage our business independently from the Parent Group for the following reasons:

(a) none of the Retained Businesses competes, or is likely to compete, with our core business and with the corporate governance measures in place to manage existing and potential conflicts of interest, therefore, the dual roles assumed by the two overlapping Directors in most cases will not affect the requisite degree of impartiality of our Directors in discharging their fiduciary duties owed to our Company;

(b) we have three independent non-executive Directors, and certain matters of our Company, including continuing connected transactions and other matters referred to in the Deed of Non-Competition, details of which are set out in the paragraph entitled "—Deed of Non-Competition" below, must always be referred to the independent non-executive Directors for review and they will confirm in our annual report that our continuing connected transactions have been entered into in our ordinary and usual course of business, are on normal commercial terms or better and on terms that are fair and reasonable and in the interests of our shareholders as a whole; and

(c) in an event of conflict of interests, the relevant Director(s) will abstain from voting and will be excluded from deliberation by our Board. We believe our Directors with no overlapping directorships in the Parent Group have the requisite qualifications, integrity and experience to maintain an effective board and observe their fiduciary duties in an event of conflict of interests. Please refer to the section entitled "Directors, Supervisors and Senior Management—Board of Directors" in this prospectus for the relevant experience and qualifications of our Directors.

Operational Independence

We have full rights, hold and enjoy the benefit of all relevant licenses, have sufficient capital and employees necessary to make all decisions on, and to carry out, our own business operation independent from our Controlling Shareholders and their respective associates and will continue to do so after Listing.

Although approximately 55.4% of the total GFA under management by our Group were properties developed by the Parent Group as of September 30, 2017, the majority of the customers of our Group are property owners other than the Parent Group. For the nine months ended September 30, 2017, more than 70.0% of the revenue of our Group was generated from customers other than the Parent Group.

Our Group secures initial property management service engagements mainly through a standard tender process regulated by applicable PRC laws and regulations. Our Group does not enjoy a preferential right to be engaged as the initial property management service provider for properties developed by the Parent Group during the public tender process. During the Track Record Period, we obtained certain property management service contracts without going through the public tender process. For details, please refer to the section entitled "Risk Factors—Risks relating to Our Business and Industry—Some of our property management agreements were obtained without going through the required tender and bidding process" in this prospectus.

In addition, the post-delivery stage of the property development projects where the property units have been wholly or partially sold and the owners' associations have been established, the owners' associations have the right to select (or replace) the property management service provider. The Parent Group does not have any influence over the selection (or replacement) of the property management service provider by individual owners.

We started to provide property management services for properties developed by third party real estate developers (the "**External Projects**") in July 2015. As of September 30, 2017 the total GFA under management pursuant to such External Projects was 32.8 million sq.m., representing 44.2% of the total GFA under our Group's management.

Licenses required for operation

We hold and enjoy the benefit of all relevant licenses and permits material to the operation of our business.

Access to customers

We conduct our own sales and marketing primarily through independent third-party agents. Our Group has a large and diversified base of customers that are unrelated to our Controlling Shareholders and/or their respective close associates.

Operational facilities

As of the Latest Practicable Date and save as disclosed in the section entitled "Connected Transactions—(B) Continuing connected transactions subject to the reporting, annual review, announcement requirements but exempt from the independent shareholders' approval requirement" in this prospectus, all the properties and facilities necessary to our business operations are independent from our Controlling Shareholders and their respective associates.

Employees

As of the Latest Practicable Date, all of our full-time employees were recruited independently and primarily through recruitment websites, on-campus recruitment programs, advertisements in newspapers, recruiting firms and internal referrals.

Connected transactions with our Controlling Shareholders

The section entitled "Connected Transactions" in this prospectus sets out the continuing connected transactions between our Group and our Controlling Shareholders or their close associates which will continue after the completion of the Global Offering. All such transactions are determined after arm's-length negotiations and on normal commercial terms. Save for the continuing connected transactions set out in the section entitled "Connected Transactions" in this prospectus, our Directors currently do not expect that there will be any other connected transactions between our Group and our Controlling Shareholders or their respective associates upon or shortly after the completion of the Global Offering.

We expect that our total revenue will continue to grow after the Listing due to the following reasons:

(i) in June 2017, we established a strategic alliance with Greenland Holdings. Greenland Holdings develops property development projects across China, which will help us enlarge our business scale. According to the investment cooperation framework agreement with Greenland Holdings, Greenland Holdings agrees to, to the extent permitted by law, endeavor to engage us to manage no less than 7.0 million sq.m. per annum of properties it develops and to give us priority when selecting property management service providers for an additional 3.0 million sq.m. per annum of properties it develops, during the period from January 1, 2018 to December 31, 2022;

(ii) as one of our business development strategies, we will continue to explore the opportunity of providing property management services to the External Projects. For the nine months ended September 30, 2017, the total GFA under management under the External Projects was 32.8 million sq.m., representing 44.2% of the total GFA under our

Group's management and an increase of approximately 183.1% compared with approximately 11.6 million sq.m. as of September 30, 2016; and

(iii) we intend to explore strategic investment and acquisition opportunities to diversify our service portfolios and managed property portfolios. Approximately 65% of the net proceeds raised from the Global Offering will be used to acquire other property management companies and companies which provide community products and services complementary to those of us. We also plan to invest in property management industry funds jointly with our business partners. We will consider other potential merger and acquisition opportunities in the market to expand property management portfolio and types of service offering. For more information on our selection criteria for acquisition targets, see the section entitled "Business—Business Strategies—Expand our property management service portfolio by selectively pursuing strategic investment, acquisition and alliance opportunities" in this prospectus.

As such, we expect that we will be able to maintain the aggregate amounts of the continuing connected transaction with our Controlling Shareholders at a reasonable percentage with respect to our total revenues after the Listing. Accordingly, such continuing connected transactions are not expected to affect our operational independence as a whole.

Financial Independence

On February 26, 2016, our Company issued an asset-backed security (the "**ABS**") in the aggregate principal amount of RMB1,100 million in the PRC. Agile Holdings had provided an irrevocable and unconditional joint-liability guarantee for the payment obligation by our Company under the ABS. Our Company fully redeemed the ABS as of September 30, 2017.

As of the Latest Practicable Date, we do not have any loans due from or due to our Controlling Shareholders and we do not have any share pledges or guarantees provided by our Controlling Shareholders and their respective associates on our borrowing. In addition, we have our own internal control and accounting systems, accounting and finance department, independent treasury function for cash receipts and payment and independent access to third-party financing.

Accordingly, we believe we are able to maintain financial independence from our Controlling Shareholders and their respective associates.

DEED OF NON-COMPETITION

Each of our Controlling Shareholders has undertaken to us in the Deed of Non-Competition that it/he/she will not, and will procure its/his/her close associates (other than members of our Group) not to directly or indirectly be involved in or undertake any business (other than our business) that directly or indirectly competes, or may compete, with our business, which includes providing property management services, property agency services, property inspection services, advertising and public relations services and tourism services (collectively referred to as the "**Restricted Activities**"), or hold shares or interest in any companies or business that compete directly or indirectly with the business engaged by our Group from time to time except where our Controlling Shareholders and their close associates hold less than 5% of the total issued share capital of any company (whose shares are listed on the Stock Exchange or any other stock exchange) which is engaged in any business that is or may be in competition with any business engaged by any member of our Group and they do not control 10% or more of the composition of the board of directors of such company.

Further, each of our Controlling Shareholders has undertaken to procure that if any new business investment/other business opportunity relating to the Restricted Activities (the "**Competing Business Opportunity**") is identified by/made available to it/him/her or any of its/his/her close associates, it/he/she shall, and shall procure that its/his/her close associates shall, refer such Competing Business Opportunity to our Company on a timely basis and in the following manner:

- refer the Competing Business Opportunity to our Company by giving written notice (the "**Offer Notice**") to our Company of such Competing Business Opportunity within 30 business days of identifying the target company (if relevant), the nature of the Competing Business Opportunity, the investment or acquisition costs and all other details reasonably necessary for our Company to consider whether to pursue such Competing Business Opportunity;

- upon receiving the Offer Notice, our Company shall seek approval from a board committee who do not have an interest in the Competing Business Opportunity (the "**Independent Board**") as to whether to pursue or decline the Competing Business Opportunity (any Director who has actual or potential interest in the Competing Business Opportunity shall abstain from attending (unless their attendance is specifically requested by the Independent Board) and voting at, and shall not be counted in the quorum for, any meeting convened to consider such Competing Business Opportunity);

- the Independent Board shall consider the financial impact of pursuing the Competing Business Opportunity offered, whether the nature of the Competing Business Opportunity is consistent with our Group's strategies and development plans and the general market conditions of our business. If appropriate, the Independent Board may appoint independent financial advisors and legal advisors to assist in the decision-making process in relation to such Competing Business Opportunity;

- the Independent Board shall, within 30 business days of receipt of the written notice referred above, inform our Controlling Shareholders in writing on behalf of our Company its decision whether to pursue or decline the Competing Business Opportunity;

- our Controlling Shareholders shall be entitled but not obliged to pursue such Competing Business Opportunity if it or he or she has received a notice from the Independent Board declining such Competing Business Opportunity or if the Independent Board failed to respond within such 30 business days' period mentioned above; and

- if there is any material change in the nature, terms or conditions of such Competing Business Opportunity pursued by our Controlling Shareholders, it or he or she shall refer such revised Competing Business Opportunity to our Company as if it were a new Competing Business Opportunity.

The Deed of Non-Competition will lapse automatically if our Controlling Shareholders and their close associates cease to hold, whether directly or indirectly, 50% or above of our Shares with voting rights or our Shares cease to be listed on the Stock Exchange.

In order to promote good corporate governance practices and to improve transparency, the Deed of Non-Competition includes the following provisions:

- our independent non-executive Directors shall review, at least on an annual basis, the compliance with the Deed of Non-Competition by our Controlling Shareholders;
- each of our Controlling Shareholders has undertaken to us that it/he/she will provide and procure its/his/her close associates to provide on best endeavor basis, all information necessary for the annual review by our independent non-executive Directors for the enforcement of the Deed of Non-Competition;
- we will disclose the review by our independent non-executive Directors on the compliance with, and the enforcement of, the Deed of Non-Competition in our annual report or by way of announcement to the public in compliance with the requirements of the Listing Rules;
- we will disclose the decisions on matters reviewed by the independent non-executive Directors (including the reasons for not taking up the Competing Business Opportunity referred to our Company) either through our annual report or by way of announcement to the public;
- each of our Controlling Shareholders will make an annual declaration in our annual report on the compliance with the Deed of Non-Competition in accordance with the principle of voluntary disclosure in the corporate governance report; and
- in the event that any of our Directors and/or their respective close associates has material interests in any matter to be deliberated by our Board in relation to the compliance and enforcement of Deed of Non-Competition, it/he/she may not vote on the resolutions of our Board approving the matter and shall not be counted towards the quorum for the voting pursuant to the applicable provisions in the Articles of Association.

CORPORATE GOVERNANCE MEASURES

Our Controlling Shareholders and their respective close associates may not compete with us as provided in the Deed of Non-Competition. Each of our Controlling Shareholders has confirmed that it/he/she fully comprehends its/his/her obligations to act in our Shareholders' best interests as a whole. Our Directors believe that there are adequate corporate governance measures in place to manage existing and potential conflicts of interest. In order to further avoid potential conflicts of interest, we have implemented the following measures:

(a) as part of our preparation for the Global Offering, we have amended our Articles of Association to comply with the Listing Rules. In particular, our Articles of Association provided that, unless otherwise provided, a Director shall not vote on any resolution approving any contract or arrangement or any other proposal in which such Director or any of his associates have a material interest nor shall such Director be counted in the quorum present at the meeting;

(b) a Director with material interests shall make full disclosure in respect of matters that may have conflict or potentially conflict with any of our interest and abstain from the board meetings on matters in which such Director or his associates have a material interest, unless the attendance or participation of such Director at such meeting of the Board is specifically requested by a majority of the independent non-executive Directors;

(c) we are committed that our Board should include a balanced composition of executive Directors and independent non-executive Directors. We have appointed independent non-executive Directors and we believe our independent non-executive Directors possesses sufficient experience and they are free of any business or other relationship which could interfere in any material manner with the exercise of their independent judgement and will be able to provide an impartial, external opinion to protect the interests of our public Shareholders. Details of our independent non-executive Directors are set out in the section entitled "Directors, Supervisors and Senior Management—Board of Directors—Independent non-executive Directors" in this prospectus;

(d) we have appointed Ballas Capital Limited as our compliance advisor, which will provide advice and guidance to us in respect of compliance with the applicable laws and the Listing Rules including various requirements relating to Directors' duties and corporate governance;

(e) as required by the Listing Rules, our independent non-executive Directors shall review any connected transactions annually and confirm in our annual report that such transactions have been entered into in our ordinary and usual course of business, are either on normal commercial terms or on terms no less favorable to us than those available to or from independent third parties and on terms that are fair and reasonable and in the interests of our Shareholders as a whole; and

(f) on an annual basis, our independent non-executive Directors will review the non-compete undertakings provided by the Controlling Shareholders and their compliance with such undertakings.

We have entered into a number of agreements with our connected persons the details of which are set out below. The transactions disclosed in this section will constitute our continuing connected transactions under Chapter 14A of the Listing Rules upon Listing.

(A) CONTINUING CONNECTED TRANSACTIONS FULLY EXEMPT FROM THE REPORTING, ANNUAL REVIEW, ANNOUNCEMENT AND INDEPENDENT SHAREHOLDERS' APPROVAL REQUIREMENTS

1. Trademark Licensing Agreements

(a) Between our Company and Agile Holdings

On January 23, 2018, a deed of trademark licensing was entered into between our Company and Agile Holdings (the "**Deed of Agile Trademark Licensing**"), pursuant to which Agile Holdings agreed to procure Stand Power Investment Limited to irrevocably and unconditionally grant to our Company and other members of our Group a non-transferable license to use the "" trademark (the "**Agile Trademark**") registered in Hong Kong for a perpetual term commencing from the Listing Date on a royalty-free basis. Details of the Agile Trademark are set forth in the section entitled "Appendix VII—Statutory and General Information—B. Further Information about Our Business—2. Intellectual Property Rights of our Group" in this prospectus.

Agile Holdings has undertaken to us that all trademarks to be registered in all territories by itself and its subsidiaries in respect of property management and sales will be granted to us to use on a royalty-free basis once they are registered in the future. Agile Holdings will procure the relevant legal owner of the registered trademarks to enter into a licensing agreement with us on terms identical with the Deed of Agile Trademark Licensing.

Our Directors believe that entering into a trademark licensing agreement with a term of more than three years can ensure the stability of our operations, and is beneficial to the interests of our Shareholders as a whole. The Joint Sponsors are of the view that it is normal business practice for agreements of this type to be of such duration.

Stand Power Investments Limited as the registered proprietor of the Agile Trademark is an indirect wholly-owned subsidiary of Agile Holdings. Agile Holdings is one of our Controlling Shareholders and therefore is a connected person of our Company under the Listing Rules. Accordingly, the transactions under the Trademark Licensing Agreement will constitute de minimis transactions for our Company under Chapter 14A of the Listing Rules upon Listing.

(b) Between Greenland Property Services and Greenland Holdings

On January 23, 2018 a trademark licensing agreement was entered into between Greenland Property Services and Greenland Holdings (the "**Greenland Trademark Licensing Agreement**") pursuant to which Greenland Holdings agreed to irrevocably and unconditionally grant to Greenland Property Services a non-transferable license to use the "绿地" (the "**Greenland Trademark**") registered in the PRC for a term of five years commencing from January 1, 2018 on a royalty-free basis, for use in its property management business. Unless there is any breach of the agreement on the part of Greenland Property Services, upon expiry, the Greenland Trademark Licensing Agreement shall be renewable through negotiation. Details of the Greenland Trademark are set forth in the section entitled "Appendix VII—Statutory and General Information—B Further Information about our Business—2. Intellectual Property Rights of our Group" in this prospectus.

Our Directors believe that entering into a trademark licensing agreement with a term of more than three years can ensure the stability of our operations, and is beneficial to the interests of our Shareholders as a whole. The Joint Sponsors are of the view that it is normal business practice for agreements of this type to be of such duration.

Each of Ningbo Lvjin and Greenland Overseas, the substantial shareholders of our Company, is an indirectly wholly-owned subsidiary of Greenland Holdings. Therefore, Greenland Holdings is a connected person of our Company under the Listing Rules. Accordingly, the transactions under the Greenland Trademark Licensing Agreement will constitute de minimus continuing connected transaction for our Company under Chapter 14A of the Listing Rules upon Listing.

As the right to use the Agile Trademark and Greenland Trademark are granted to on a royalty-free basis under the Deed of Agile Trademark Licensing and Greenland Trademark Licensing Agreement, this transaction will be exempt from the reporting, annual review, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

2. The property lease framework agreement with Greenland Holdings

We have entered into several property lease agreements with certain subsidiaries of Greenland Holdings (the "**Greenland Property Lease Agreements**"), pursuant to which we lease premises (the "**Greenland Properties**") for office use from certain subsidiaries of Greenland Holdings.

The details of the Greenland Property Lease Agreements are list out below:

Date of Greenland Property Lease Agreements	Landlord	Tenant	Premises	Term	Annual rental	Area of the property	Use of property
October 20, 2010	Shanghai Jinpu Real Estate Development Co., Ltd. (上海錦普房地產開發有限公司)	Greenland Property Services	27/F, 201 Ningxia Road, Putuo District, Shanghai, PRC	From October 20, 2010 to October 19, 2020	Free	approximately 1,200 sq.m.	Office
January 23, 2018	Shijiazhuang Zhongdi Real Estate Development Co., Ltd. (石家莊中迪房地產開發有限公司)	Shijiazhuang branch office of Greenland Property Services	Room 108, Block B, No.28 Dajing Road, Shijiazhuang, Hebei Province, PRC	From Listing Date to December 31, 2020	Free	132.82 sq.m.	Office

Date of Greenland Property Lease Agreements	Landlord	Tenant	Premises	Term	Annual rental	Area of the property	Use of property
July 23, 2015	Guangzhou Greenland Real Estate Development Co., Ltd. (廣州綠地房地產開發有限公司)	Greenland Property Services	Unit 602, No.882 Yucheng West Road, Baiyun District, Guangzhou, Guangdong Province, PRC	From July 23, 2015 to July 22, 2020	RMB12	452.3051 sq.m.	Office

As Greenland Property Services was a subsidiary of Greenland Holdings before it was acquired by our Company on June 30, 2017, Greenland Property Services had not previously entered into any lease agreement in respect of Greenland Properties.

Shanghai Jinpu Real Estate Development Co., Ltd., Shijiazhuang Zhongdi Real Estate Development Co., Ltd. and Guangzhou Greenland Real Estate Development Co., Ltd. are the indirect wholly-owned subsidiaries of Greenland Holdings. Greenland Holdings is the indirect holding company of Ningbo Lvjin and Greenland Overseas, the substantial shareholders of our Company, and therefore is a connected person of our Company under the Listing Rules. Accordingly, the transactions under the Greenland Property Lease Agreements will constitute de minimis continuing connected transactions for our Company under Chapter 14A of the Listing Rules upon Listing.

As the right to lease the Greenland Properties is granted to our Group either on a rental free basis or at an annual rental of RMB12 under the Greenland Property Lease Agreements, this transaction will be exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

3. Tourism Services Framework Agreement

On January 23, 2018, Guangzhou Yafang entered into a tourism services framework agreement (the "**Tourism Services Framework Agreement**") with Agile Holdings, pursuant to which Guangzhou Yafang agreed to provide tourism services to the Parent Group, including but not limited to organizing tours for potential buyers to visit properties developed by the Parent Group and the provision of traditional travel agency services to the Parent Group ("**Tourism Services**"), for a term commencing from the Listing Date until December 31, 2020.

As Guangzhou Yafang only started to provide the Tourism Services to the Parent Group from January 2017, for each of the years ended December 31, 2014, 2015 and 2016 and nine months ended September 30, 2017, the total fees payable by the Parent Group for the Tourism Services provided by Guangzhou Yafang amounted to nil, nil, nil and approximately RMB0.4 million, respectively.

The service fees to be charged for the Tourism Services shall be determined after arm's length negotiations with reference to the anticipated operational costs (including labor costs and administrative costs) for providing such services and the prevailing market price for similar services for corporate customers in the open market.

Our Directors estimate that the maximum annual fee payable by the Parent Group in relation to the Tourism Services to be provided by Guangzhou Yafang under the Tourism Services Framework Agreement for each of the three years ending December 31, 2020 will not exceed RMB2,000,000, RMB2,500,000 and RMB3,250,000, respectively.

In arriving at the above annual caps, our Directors have considered the following factors which are considered to be reasonable and justifiable in the circumstances:

- the unaudited historical transaction amount for the year ended December 31, 2017 of approximately RMB0.4 million when the Tourism Services business was still at an initial stage of operation, of which approximately RMB0.3 million has been paid as of December 31, 2017), and the expected initially more steep and gradually more steady increment of approximately over 30% per year in transaction volume upon full service of such business;

- our estimation of the increasing number of property tours of the Parent Group for the three years ending December 31, 2020 in anticipation of the increasing GFA of the properties to be developed by the Parent Group;

- the maximum capacity of Guangzhou Yafang in providing such services (including the number of team members with related working experience); and

- our estimation of the demand of the Parent Group for business travels in the three years ending December 31, 2018, 2019 and 2020 based our discussions with the Parent Group during the negotiations of the terms of the Tourism Services Framework Agreement. We anticipate a substantial growth in the Tourism Services in 2018 taking into account (i) the expected increasing number of property projects to be released and promoted by the Parent Group in various cities and provinces including Changzhou, Hainan, Hunan and Yunnan in 2018, and (ii) the utilization of community resources adjacent to the newly-launched property projects to promote the Tourism Services.

Agile Holdings is one of our Controlling Shareholders and is therefore a connected person of our Company under the Listing Rules. Accordingly, the transactions under the Tourism Services Framework Agreement will constitute continuing connected transactions for our Company under Chapter 14A of the Listing Rules upon Listing.

Since each of the applicable ratios under the Listing Rules in respect of the aggregated annual caps in relation to the Tourism Services by Guangzhou Yafang, as aggregated, is expected to be less than 5% and the total consideration is less than HK$3,000,000 per annum, the transactions under the Tourism Services Framework Agreement will be fully exempt from the reporting, annual review, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

(B) CONTINUING CONNECTED TRANSACTIONS SUBJECT TO THE REPORTING, ANNUAL REVIEW, ANNOUNCEMENT REQUIREMENTS BUT EXEMPT FROM THE INDEPENDENT SHAREHOLDERS' APPROVAL REQUIREMENT

1. Lease agreements

(a) Property lease framework agreement with Agile Holdings

On January 23, 2018, we entered into a property lease framework agreement with Agile Holdings (the "**Agile Property Lease Framework Agreement**"), pursuant to which we may lease from the Parent Group office, clubhouse, employees dormitory and parking lot premises. The Agile Property Lease Framework Agreement has a term commencing from the Listing Date until December 31, 2020 and will automatically be renewable for successive periods of three years thereafter, subject to compliance with the then applicable provisions of the Listing Rules, unless it is terminated earlier by either party giving not less than 30 business days' written notice to the other party in advance or otherwise pursuant to the Agile Property Lease Framework Agreement. Relevant subsidiaries or associated companies of both parties will enter into separate lease agreements which will set out the specific terms and conditions according to the principles provided in the Agile Property Lease Framework Agreement.

Based on the property lease agreements entered into between the Parent Group and us, we leased several properties from the Parent Group with a total GFA of approximately 58,046 sq.m. as of September 30, 2017. For each of the years ended December 31, 2014, 2015 and 2016 and nine months ended September 30, 2017, the total amount of rental payable by us to the Parent Group amounted to approximately RMB1,092,000, RMB1,251,000, RMB1,626,000 and RMB2,593,000, respectively. The total amount of rental payable by the Company to the Parent Group amounted to approximately RMB3,578,000 for the year ended December 31, 2017.

The rent to be paid by us under the Agile Property Lease Framework Agreement will be determined on arm's length basis, with reference to the historical transaction amounts during the Track Record Period and the prevailing market rent of similar properties located in similar areas and should not be less favorable than that offered by Independent Third Parties.

Our Directors estimate that the maximum annual fee payable by us under the Agile Property Lease Framework Agreement for each of the three years ending December 31, 2020 will not exceed RMB5,185,000, RMB5,444,000 and RMB5,980,000, respectively. In arriving at the above annual caps, our Directors have considered (i) the historical rental amounts during the Track Record Period, (ii) the rental amounts payable by us to Agile Holdings for lease of the office premises at Agile Center in Guangzhou starting from May 1, 2017 to cater for the expansion of our Group and in turn the increased demand for office space, (iii) the terms and conditions, in particular, the rent, under the existing lease agreements; and (iv) the expected increment in rental, location and GFA of the premises to be leased by us based on the estimated increasing needs of our Group with reference to our Group's future business development plan.

Agile Holdings is one of our Controlling Shareholders and therefore, is a connected person of our Company under the Listing Rules. Accordingly, the transactions under Agile

Property Lease Framework Agreement will constitute continuing connected transaction for our Company under Chapter 14A of the Listing Rules upon Listing.

(b) Lease agreements with Zhongshan Changjiang Golf Course and Mr. Chan Cheuk Yin

Our Company has entered into the following lease agreements ("**Chen Family Lease Agreements**") with Zhongshan Changjiang Golf Course and Mr. Chan Cheuk Yin.

	Date of Chen Family Lease agreement	Landlord	Tenant	Premises	Term	Annual rental	Area of the property	Use of property
(1)	January 23, 2018	Zhongshan Changjiang Golf Course (中山長江高爾夫球場)	Kaiyin new town branch office of our Company	Building 2, Staff Village, Kaiyin New Town, Changjiang Management District, East of Zhongshan City, Guangdong province, PRC	From the Listing Date to December 31, 2020	2018: RMB2,689,156 2019: RMB2,823,614 2020: RMB2,823,614	6,114 sq.m.	Employees dormitory
(2)	January 23, 2018	Mr. Chan Cheuk Yin	Our Company	Level 1 to 6, Service Building, Agile Garden, Sanxiang Town, Zhongshan, Guangdong province, PRC	From the Listing Date to December 31, 2020	2018: RMB445,464 2019: RMB467,737 2020: RMB467,737	1,713.1 sq.m.	Office

For each of the years ended December 31, 2014, 2015 and 2016 and nine months ended September 30, 2017, the total amount of rental payable by our Company to Zhongshan Changjiang Golf Course and Mr. Chan Cheuk Yin for the same premises amounted to approximately RMB2,081,000, RMB3,248,000 and RMB2,780,000 and RMB2,138,000, respectively. The total amount of rental payable by the Company to Zhongshan Changjiang Golf Course and Mr. Chan Cheuk Yin amounted to approximately RMB3,044,083 for the year ended December 31, 2017.

The rent payable by us under the Chen Family Lease Agreements was determined on arm's-length basis, with reference to the historical transaction amounts during the Track Record Period and the expected increment in the prevailing market rent of similar properties located in similar areas which is no less favorable than that offered by Independent Third Parties.

Zhongshan Changjiang Golf Course is a wholly-owned subsidiary of Honest Champion Holdings Limited (誠昌控股有限公司), which is owned by Mr. Chen Zhuo Lin, Mr. Chan Cheuk Yin, Ms. Luk Sin Fong, Fion, Mr. Chan Cheuk Hung, Mr. Chan Cheuk Hei and Mr. Chan Cheuk Nam, each a Controlling Shareholder and therefore, Zhongshan Changjiang Golf Course and Mr. Chan Cheuk Yin are connected persons of our Company under the Listing Rules. Accordingly, the transactions under the Chen's Family's Lease Agreements will constitute continuing connected transactions for our Company under Chapter 14A of the Listing Rules upon Listing.

Since the ultimate beneficial owner(s) of each of the premises under the Chen Family Lease Agreements is/are member(s) of the same group of Controlling Shareholders and that the transactions contemplated under the Chen Family Lease Agreements are similar in nature, the transactions contemplated thereunder should be aggregated pursuant to the Listing Rules. As each of the applicable ratios under the Listing Rules in respect of the annual caps in relation to the Agile Property Lease Framework Agreement and the Chen Family Lease Agreements (the "**Leasing Arrangement**") as aggregated, is expected to be less than 25% and the total consideration is less than HK$10,000,000 per annum, the transactions under the Leasing Arrangement will be exempt from the independent Shareholders' approval requirement but subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules.

(C) CONTINUING CONNECTED TRANSACTIONS SUBJECT TO THE REPORTING, ANNUAL REVIEW, ANNOUNCEMENT AND INDEPENDENT SHAREHOLDERS' APPROVAL REQUIREMENTS

1. Property Management Services Framework Agreements

(a) Our Group and the Parent Group

On January 23, 2018, our Group entered into a property management services framework agreement (the "**Agile Property Management Services Framework Agreement**") with Agile Holdings, pursuant to which our Group agreed to provide to the Parent Group property management services, including but not limited to (i) the on-site security, cleaning, greening and gardening, repair and maintenance services as well as customer services to the property sales center of Agile Holdings at the pre-delivery stage and (ii) the operations and management services for the unsold property units (the "**Agile Property Management Services**"), for a term commencing from the Listing Date until December 31, 2020.

For each of the years ended December 31, 2014, 2015 and 2016 and nine months ended September 30, 2017, the total amount of fees payable by the Parent Group for the Agile Property Management Services provided by our Group amounted to approximately RMB258,442,000, RMB264,830,000, RMB305,174,000 and RMB253,954,000, respectively.

The fees to be charged for the Agile Property Management Services shall be determined after arm's-length negotiations taking into account the location of the project, the anticipated operational costs (including labor costs, material costs and administrative costs) with reference to the fees for similar services and similar type of projects in the market. The service fees shall not be higher than the standard fees designated by the relevant regulatory authorities or lower than the standard fees to be charged from Independent Third Parties.

Our Directors estimate that the maximum annual fee payable by the Parent Group in relation to the services to be provided by our Group under the Agile Property Management Services Framework Agreement for each of the three years ending December 31, 2020 will not exceed RMB458,500,000, RMB518,800,000 and RMB597,000,000, respectively.

In arriving at the above annual caps of Agile Property Management Services, our Directors have considered the following factors in arriving at the above annual caps which are considered to be reasonable and justifiable in the circumstances:

- the historical transaction amounts during the Track Record Period, and in particular, the unaudited transaction amount of approximately RMB364.3 million for the year ended December 31, 2017, of which approximately RMB342.9 million has been paid as of December 31, 2017;
- the estimated revenue to be recognized in relation to the Agile Property Management Services provided by our Group pursuant to existing contracts;
- in terms of the annual caps for the management services to be provided at the pre-delivery stage, our estimation of the GFA of the properties expected to be sold by the Parent Group in the relevant periods, estimated based on the publicly available total GFA of the properties delivered by the Parent Group during the Track Record Period, which ranged from approximately 4.0 million sq.m. to 5.1 million sq.m., and an estimated portion of which will procure management services from us, which will be charged at an estimated fixed rate; and
- in terms of annual caps of the management services to be provided for the unsold property units, the expected aggregate area of the unsold property units for the three years ending December 31, 2020, estimated based on the total area of the unsold property units, which was typically approximately 7% to 10% of the total GFA under management during the Track Record Period, and an estimated fixed monthly service fee at which management services will be charged per sq.m..

Agile Holdings is one of our Controlling Shareholders and therefore is a connected person of our Company under the Listing Rules. Accordingly, the transactions under the Agile Property Management Services Framework Agreement will constitute continuing connected transactions for our Company under Chapter 14A of the Listing Rules upon Listing.

Since each of the applicable ratios under the Listing Rules in respect of the aggregated annual caps in relation to Agile Property Management Services Framework Agreement are expected to be more than 5% on an annual basis, the transactions under the Agile Property Management Services Framework Agreement constitute continuing connected transactions for our Company which are subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

(b) Our Group and Greenland Holdings

On January 23, 2018, our Company entered into a property management services framework agreement ("**Greenland Property Management Services Framework Agreement**"), pursuant to which our Group agreed to provide to Greenland Holdings and its subsidiaries (the "**Greenland Group**") property management services, including but not limited to (i) the on-site security, cleaning and other related services as well as customer services to the property sales center of Greenland Group at the pre-delivery stage and (ii) the operations and management services for the unsold property units (the "**Greenland Property Management Services**"), for a term commencing from the Listing Date until December 31, 2020.

Following our acquisition of 100% of the equity interest of Greenland Property Services on June 30, 2017, the property management service fee payable by Greenland Group to our Group amounted to RMB26,335,000 for the three months from July 1, 2017 to September 30, 2017.

The fees to be charged for the Greenland Property Management Services shall be determined after arm's length negotiations taking into account the location of the project, the anticipated operational costs (including labor costs, material costs and administrative costs) with reference to the fees for similar services and similar type of projects in the market. The service fees shall not be higher than the standard fees designated by the relevant regulatory authorities or lower than the standard fees to be charged from Independent Third Parties.

Our Directors estimate that the maximum annual fee payable by Greenland Group in relation to the services to be provided by our Group under the Greenland Property Management Services Framework Agreement for each of the three years ending December 31, 2020 will not exceed RMB171,000,000, RMB210,000,000 and RMB250,000,000, respectively.

In arriving at the above annual caps of Greenland Property Management Services, our Directors have considered the following factors which are considered to be reasonable and justifiable in the circumstances:

- for the period from July 1, 2017 to December 31, 2017, the total unaudited receivables of our Group for the provision of the Greenland Property Management Services amounted to approximately RMB42.0 million, of which approximately RMB22.3 million had been paid as of December 31, 2017;

- the investment cooperation framework agreement among Greenland Holdings, Agile Holdings and our Company pursuant to which, to the extent permitted by law, Greenland Holdings will endeavor to engage us as their property management service provider and to deliver a GFA of not less than 7.0 million sq.m. per annum to us for management, and to give us priority when selecting their future property management service provider for properties it develops for an additional GFA of 3.0 million sq.m. per annum, during the period from January 1, 2018 to December 31, 2022. Given the GFA delivery of the Greenland Group during the Track Record Period and that the conditional commitment of Greenland Holdings to engage us is a contractual obligation, our Directors believe that we will be able to achieve provision of the Greenland Property Management Services close to the amounts of the annual caps;

- in terms of the annual caps for the services provided at the pre-delivery stage, the estimated GFA of the new real estate projects expected to be sold by Greenland Holdings in the three years ending December 31, 2020 is based on the existing and future development projects of Greenland Group and the GFA of the real estate projects delivered by it during the Track Record Period of 20 to 30 million sq.m. each year, which will directly impact the amount of GFA we will likely provide the Greenland Property Management Service for;

- in terms of the annual caps of the services provided for the unsold property units, the expected aggregate area of the unsold property units for the three years ending December 31, 2020 based on the total area of the unsold property units, which was typically approximately 7% to 10% of the total GFA under management during the Track Record Period and an estimated fixed monthly service fee at which management services will be charged per sq.m.

Greenland Holdings is the indirect holding company of Ningbo Lvjin and Greenland Overseas, our substantial shareholders, and therefore is a connected person of our Company under the Listing Rules. Accordingly, the transactions under the Greenland Property Management Services Framework Agreement will constitute continuing connected transactions for our Company under Chapter 14A of the Listing Rules upon Listing.

Since each of the applicable ratios under the Listing Rules in respect of the aggregated annual caps in relation to Greenland Property Management Services Framework Agreement are expected to be more than 5% on an annual basis, the transactions under the Greenland Property Management Services Framework Agreement constitute continuing connected transactions for our Company which are subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

2. Property Agency Services Framework Agreement

On January 23, 2018, Guangzhou Yazhuo entered into a property agency services framework agreement (the "**Property Agency Services Framework Agreement**") with Agile Holdings, pursuant to which Guangzhou Yazhuo agreed to provide property agency services, including but not limited to, providing marketing and sales services for properties developed by the Parent Group ("**Property Agency Services**"), for a term commencing from the Listing Date until December 31, 2020. Under such arrangement, the Parent Group will cease to conduct direct marketing and sales services for properties developed by it and will engage our Group and other independent service providers to provide such services.

As Guangzhou Yazhuo only started to provide the Property Agency Services to the Parent Group from July 2017, the receivables of Guangzhou Yazhuo for the provision of the Property Agency Services amounted to approximately RMB43,600 for the three months from July 1, 2017 to September 30, 2017. For the period of July 1, 2017 to December 31, 2017, the unaudited receivables of Guangzhou Yazhuo for the provision of such services amounted to approximately RMB98.2 million.

The service fees to be charged for the Property Agency Services shall be determined after arm's length negotiations with reference to the anticipated operational cost (including labor costs) for providing such services and the prevailing market price for similar property agency services for property developers in the open market.

Our Directors estimate that the maximum annual fee payable by the Parent Group in relation to the services to be provided by Guangzhou Yazhuo under the Property Agency Services Framework Agreement for each of the three years ending December 31, 2020 will not exceed RMB350,000,000, RMB420,000,000 and RMB525,000,000, respectively. The significant increase in the maximum annual fee payable by the Parent Group for the

Property Agency services is due to the change in the Parent Group's business model of outsourcing sales and marketing activities to property agents, including our Company.

In arriving at the above annual caps, our Directors have considered the following factors which are considered to be reasonable and justifiable in the circumstances:

- our estimation of the GFA of the properties to be sold by the Parent Group for the three years ending December 31, 2020, estimated based on the total pre-sale GFA of the properties developed by the Parent Group in the three years ended December 31, 2016, which ranged from approximately 4.6 million sq.m. to 5.3 million sq.m., and the land reserve of the Parent Group as of September 30, 2017, which will directly impact the volume of the Property Agency Services required;

- the expected increasing proportion of the Parent Group's overall demand for property agency services to be undertaken by us, which is expected to increase from over 20% in 2017 to over 75% in 2020 for the three years ending December 31, 2020, taking into account that the sales department of the Parent Group handled approximately 80% of the total marketing and sales of the Parent Group during the Track Record Period;

- the continuing expansion of the sales team of Guangzhou Yazhuo through recruiting additional experienced sales personnel from reputable real estate enterprises in the PRC which is expected to increase from over 600 sales personnel in 2017 to over 1,500 sales personnel in 2018; as of December 31, 2017, Guangzhou Yazhuo had opened 27 branch offices in 27 cities or areas in the PRC, and had 610 employees. It is expected that the number of branch offices and employees will continue to increase before the end of 2017 which will lead to an expected increase in capacity to provide marketing and sales services; and

- the outlook of real estate industry in the PRC for the next three years.

Agile Holdings is one of our Controlling Shareholders and therefore is a connected person of our Company under the Listing Rules. Accordingly, the transactions under the Property Agency Services Framework Agreement will constitute continuing connected transactions for our Company under Chapter 14A of the Listing Rules upon Listing.

Since the applicable ratios for the Property Agency Services Framework Agreement is expected to be more than 5% on an annual basis, the transactions under the Property Agency Services Framework Agreement constitute continuing connected transactions for our Company which are subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

3. Pre-delivery Inspection Services Framework Agreement

On January 23, 2018, Guangzhou Yaxin entered into a pre-delivery inspection services framework agreement (the "**Pre-delivery Inspection Services Framework Agreement**") with Agile Holdings, pursuant to which Guangzhou Yaxin agreed to provide pre-delivery inspection services, including but not limited to conducting housing inspection on properties developed by the Parent Group upon completion of construction and before delivery of the same to homeowners ("**Pre-delivery Inspection Services**"), for a term commencing from the Listing Date until December 31, 2020.

As Guangzhou Yaxin only started to provide the Pre-delivery Inspection Services to the Parent Group from June 2017, for each of the years ended December 31, 2014, 2015 and 2016 and nine months ended September 30, 2017, the total fee payable by the Parent Group for the Pre-delivery Inspection Services provided by Guangzhou Yaxin amounted to nil, nil, nil and approximately RMB14.1 million, respectively.

The service fees to be charged for the Pre-delivery Inspection Services shall be determined after arm's length negotiations taking into account the GFA involved, the anticipated service costs and the prevailing market price for similar services in the open market.

Our Directors estimate that the maximum annual fee payable by the Parent Group in relation to the services to be provided by Guangzhou Yaxin under the Pre-delivery Inspection Services Framework Agreement for each of the three years ending December 31, 2020 will not exceed RMB50,000,000, RMB60,000,000 and RMB73,000,000, respectively. The significant increase in the maximum annual fee payable by the Parent Group is due to the Parent Group's determination of outsourcing all of its inspection services requirements.

Pre-delivery inspection services is a relatively new business in the market. The pre-delivery developers in the PRC has increasingly started to recognize the added-value of pre-delivery inspection services as some housing defects are often found by homeowners after delivery which have led to disputes between homeowners and pre-delivery management service companies. In order to deliver better quality pre-delivery so as to enhance the brand image of the pre-delivery developers and reduce disputes as much as possible, more and more pre-delivery developers have begun to engage pre-delivery inspection service providers to provide such service.

In arriving at the above annual caps, our Directors have considered the following factors which are considered to be reasonable and justifiable in the circumstances:

- for the period from June 1, 2017 to December 31, 2017, the total unaudited receivables of Guangzhou Yaxin for the provision of the Pre-delivery Inspection Services amounted to approximately RMB22.3 million, of which approximately, RMB16.9 million has been paid as of December 31, 2017. The historical transaction amount for the period from June 2017 to October 2017 when the Pre-delivery Inspection Services business was at an initial stage of operation and the rate of the expected steep increment in transaction volume upon full service of such business;

- the amount of properties sold by the Parent Group in the three years ended December 31, 2016 and the land reserve of the Parent Group as of September 30, 2017, which will directly impact the volume of Pre-delivery Inspection Services required;

- our estimation of the capacity of Guangzhou Yaxin to provide Pre-delivery Inspection Services for the three years ending December 31, 2020 which is expected to increase from approximately 2,500,000 sq.m. in 2017 to approximately 7,800,000 sq.m. in 2020;

- the continuing recruitment of additional experienced employees which we expect will increase by more than 50% of its current size by 2018 and in turn lead to an increase in the capacity of Guangzhou Yaxin in providing inspection services; and

- taking into account the expected inflation rate, a reasonable increment of 1% to 5% of the inspection fee to be charged by Guangzhou Yaxin for the three years ending December 31, 2020 which will contribute to the expected increase in the annual caps along with other factors.

Agile Holdings is one of our Controlling Shareholders and therefore is a connected person of our Company under the Listing Rules. Accordingly, the transactions under the Pre-delivery Inspection Services Framework Agreement will constitute continuing connected transactions for our Company under Chapter 14A of the Listing Rules upon Listing.

Since the applicable ratios for the Pre-delivery Inspection Services Framework Agreement is expected to be more than 5% on an annual basis, the transactions under the Pre-delivery Inspection Services Framework Agreement constitute continuing connected transactions for our Company which are subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

4. Advertising and Public Relations Services Framework Agreement

On January 23, 2018, Guangzhou Yatao entered into an advertising services framework agreement (the "**Advertising and Public Relations Services Framework Agreement**") with Agile Holdings, pursuant to which Guangzhou Yatao agreed to provide services such as advertisement design and public relations (the "**Advertising and PR Services**") to the Parent Group, for a term commencing from the Listing Date until December 31, 2020.

As Guangzhou Yatao only started to provide Advertising and PR Services to the Parent Group from July 2017, for each of the years ended December 31, 2014, 2015 and 2016 and nine months ended September 30, 2017, the total fee payable by the Parent Group for the Advertising and PR Services provided by Guangzhou Yatao amounted to nil, nil, nil and approximately RMB0.8 million, respectively.

The service fees to be charged for the Advertising and PR Services shall be determined after arm's length negotiations with reference to the anticipated operational costs (including labor costs and material costs) and the prevailing market price for similar services for corporate customers in the open market.

Our Directors estimate that the maximum annual fee payable by the Parent Group in relation to the services to be provided by Guangzhou Yatao under the Advertising and Public Relations Services Framework Agreement for each of the three years ending December 31, 2020 will not exceed RMB9,000,000, RMB13,500,000 and RMB17,550,000, respectively.

In arriving at the above annual caps, our Directors have considered the following factors which are considered to be reasonable and justifiable in the circumstances:

- for the period from July 1, 2017 to December 31, 2017, the total unaudited receivables of Guangzhou Yatao for the provision of the Advertising and PR

Services amounted to approximately RMB4.3 million, of which approximately RMB0.9 million has been paid as of December 31, 2017;

- the demand for advertising services of the Parent Group in connection with its business development and marketing activities in the next three years based on our discussions with the Parent Group during the negotiations of the terms of the Advertising and Public Relations Services Framework Agreement;

- our estimation of the capacity of Guangzhou Yatao in provision of the Advertising and PR Services for the three years ending December 31, 2020 as well as taking into account the immense needs of the Parent Group for advertising, whose annual advertising fee amounted to an average of RMB1 billion during the Track Record Period; and

- the expected enhanced capacity of Guangzhou Yatao in providing the services as a result of the expected increase in number of staff by approximately 20% per year.

Agile Holdings is one of our Controlling Shareholders and therefore is a connected person of our Company under the Listing Rules. Accordingly, the transactions under the Advertising and Public Relations Services Framework Agreement will constitute continuing connected transactions for our Company under Chapter 14A of the Listing Rules upon Listing.

Since each of the applicable ratio for the Advertising and Public Relations Services Framework Agreement is expected to be more than 5% on an annual basis, the transactions under the Advertising and Public Relations Services Framework Agreement constitute continuing connected transactions for our Company which are subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

(D) APPLICATION FOR WAIVER

The transactions described under the sub-section entitled "—(B) Continuing Connected Transactions subject to the reporting, annual review, announcement requirements but exempt from the independent Shareholders' approval requirement" in this section constitute our continuing connected transactions under the Listing Rules, which are exempt from the independent Shareholders' approval requirements but subject to the reporting, annual review, announcement requirements of the Listing Rules.

The transactions described under the sub-section entitled "—(C) Continuing Connected Transactions subject to the reporting, annual review, announcement and independent Shareholders' approval requirements" in this section constitute our continuing connected transactions under the Listing Rules, which are subject to the reporting, annual review, announcement and independent Shareholders' approval requirements of the Listing Rules.

In respect of these continuing connected transactions, pursuant to Rule 14A.105 of the Listing Rules, we have applied for, and the Stock Exchange has granted, waivers exempting us from strict compliance with (i) the announcement requirement under Chapter 14A of the Listing Rules in respect of the continuing connected transactions as disclosed in "—(B) Continuing

Connected Transactions subject to the reporting, annual review, announcement requirements but exempt from the independent shareholders' approval requirement" in this section; and (ii) the announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the continuing connected transactions as disclosed in "—(C) Continuing Connected Transactions subject to the reporting, annual review, announcement, and independent Shareholders' approval requirements" in this section, subject to the condition that the aggregate amounts of the continuing connected transactions for each financial year shall not exceed the relevant amounts set forth in the respective annual caps (as stated above).

(E) DIRECTORS' VIEWS

Our Directors (including our independent non-executive Directors) consider that all the continuing connected transactions described under the sub-section entitled "—(B) Continuing Connected Transactions subject to the reporting, annual review, announcement requirements but exempt from the independent Shareholders' approval requirement" and "—(C) Continuing Connected Transactions subject to the reporting, annual review, announcement and independent Shareholders' approval requirements" have been and will be carried out: (i) in the ordinary and usual course of our business, (ii) on normal commercial terms or better and (iii) in accordance with the respective terms that are fair and reasonable and in the interests of our Company and our Shareholders as a whole.

Our Directors (including our independent non-executive Directors) are also of the view that the annual caps of the continuing connected transactions under the sub-section entitled "—(B) Continuing Connected Transactions subject to the reporting, annual review, announcement requirements but exempt from the independent Shareholders' approval requirement" and "—(C) Continuing Connected Transactions subject to the reporting, annual review, announcement and independent Shareholders' approval requirements" in this section are fair and reasonable and are in the interests of our Shareholders as a whole.

(F) JOINT SPONSORS' VIEW

The Joint Sponsors are of the view (i) that the continuing connected transactions described under the sub-section entitled "—(B) Continuing Connected Transactions subject to the reporting, annual review, announcement requirements but exempt from the independent Shareholders' approval requirement" and the sub-section entitled "—(C) Continuing Connected Transactions subject to the reporting, annual review, announcement and independent Shareholders' approval requirements" have been and will be entered into in the ordinary and usual course of our business, on normal commercial terms or better, that are fair and reasonable and in the interests of our Company and our Shareholders as a whole, and (ii) that the proposed annual caps (where applicable) of such continuing connected transactions are fair and reasonable and in the interests of our Company and our Shareholders as a whole.

The detailed information of our directors, supervisors and senior management are listed below. None of the following directors, supervisors or senior management has any relationship in connection with other directors, supervisors or senior management.

BOARD OF DIRECTORS

Our Board which is responsible for the management and conduct of our business consists of nine Directors including four executive Directors, two non-executive Directors and three independent non-executive Directors.

Name	Age	Time of joining our Group	Position in our Company	Date of appointment as Director	Key responsibilities
Executive Directors					
Huang Fengchao (黃奉潮)	55	October 1999	Executive Director and co-chairman of the Board	July 21, 2017	Overall strategic decisions, business planning and major operational decisions
Liu Deming (劉德明)	49	September 2016	Executive Director and chief executive officer	July 21, 2017	Overall business operations and management, major decision making and executing the decisions from the Board
Feng Xin (馮欣)	46	June 2002	Executive Director and vice president	July 21, 2017	Assisting the chief executive officer with business planning, overall management of property management and business development
Wang Wei (王煒)	46	June 2017	Executive Director	July 21, 2017	Overall management and operations of Greenland Property Services

Name	Age	Time of joining our Group	Position in our Company	Date of appointment as Director	Key responsibilities
Non-executive Directors					
Chan Cheuk Hung (陳卓雄)	60	April 1999	Non-executive Director and co-chairman of the Board	July 21, 2017	Formulation and provision of guidance and development strategies for the overall development of our Group
Wei Xianzhong (魏憲忠)	54	August 21, 2017	Non-executive Director	August 21, 2017	Provision of guidance for the overall development of our Group
Independent non-executive Directors					
Wan Kam To (尹錦滔)	65	August 21, 2017	Independent non-executive Director	August 21, 2017	Providing independent advice to our Board
Wan Sai Cheong, Joseph (溫世昌)	63	August 21, 2017	Independent non-executive Director	August 21, 2017	Providing independent advice to our Board
Wang Peng (王鵬)	42	August 21, 2017	Independent non-executive Director	August 21, 2017	Providing independent advice to our Board

Executive Directors

Mr. Huang Fengchao (黃奉潮), aged 55, was appointed as our executive Director and the co-chairman of our Board on July 21, 2017. He is responsible for overall strategic decisions, business planning and major operational decisions of our Group. Mr. Huang has over 18 years of experience in real estate development and property management. Mr. Huang joined Agile Holdings in October 1999 and has successively served as a general manager of Zhongshan Agile Real Estate Development Co., Ltd. (中山市雅居樂房地產開發有限公司), director of the property management center of Agile Holdings and general manager of Guangzhou Nanhu Agile Real Estate Development Co., Ltd. (廣州南湖雅居樂房地產開發有限公司) and Guangzhou Huadu Agile Real Estate Development Co., Ltd. (廣州花都雅居樂房地產開發有限公司). Mr. Huang has been serving as an executive director and vice president of Agile Holdings and president of the Hainan and Yunnan region since May 2014, where he was in charge of the real estate development and property management in Hainan province and Yunnan province. Mr. Huang has been in charge of the investment department, cost center, human resources center, legal department and audit and supervision department of Agile Holdings since May 2015.

Mr. Huang graduated from Guangdong Petroleum School (廣東石油學校) (now known as Guangdong University of Petrochemical Technology (廣東石油化工學院)) in the PRC in July 1983 majoring in turbine management.

Mr. Liu Deming (劉德明), aged 49, was appointed as our executive Director on July 21, 2017. Mr. Liu joined our Group as chief executive officer in September 2016. He is responsible for overall business operations and management of our Group, major decision making and executing the decisions of the Board. Mr. Liu has over 16 years of experience in property management.

Prior to joining our Group, from August 1991 to April 2004, Mr. Liu successively served as an editor of Shandong Dazhong News Group Limited (山東大眾報業(集團)有限公司), a company primarily engaged in newspaper publication, a manager of property management department of Dazhong News Group (大眾報業集團) and a general manager of a property management company affiliated to Dazhong News Group (大眾報業集團). Since April 2004, Mr. Liu has been the chairman of Shandong Mingde Property Management Group Co., Ltd. (山東明德物業管理集團有限公司) ("**Shandong Mingde**"), a company primarily engaged in property management for properties owned by higher education institutions, hospitals and local governments in various provinces including Shandong, Heilongjiang, Anhui and Yunnan, where he is responsible for its overall strategic planning.

Mr. Liu holds certain equity interests in Shandong Mingde, Yunnan Mingde Property Services Co., Ltd. (雲南明德物業服務有限公司) ("**Yunnan Mingde**"), Anhui Mingde Property Management Co., Ltd. (安徽明德物業管理有限公司) ("**Anhui Mingde**"), Heilongjiang Mingde Property Management Co., Ltd. (黑龍江明德物業管理有限公司) ("**Heilongjiang Mingde**"), Shenyang Mingde Property Services Co., Ltd. (瀋陽明德物業服務有限公司) ("**Shenyang Mingde**") and Qingdao Fuwanjia Property Management Co., Ltd. (青島富萬家物業管理有限公司) ("**Qingdao Fuwanjia**") (collectively referred to as the "**Mingde Group**").

The table below sets forth the shareholding structure and business scope of each member of the Mingde Group.

Company	Shareholding Structure	Business Scope
Shandong Mingde	24.5% by Mr. Liu; 25.5% by the spouse of Mr. Liu	Provision of property management services to nationwide properties of or occupied by higher education institutions and hospitals; government facilities; and residential properties
Anhui Mingde	51% by Shandong Mingde; 25% directly by Mr. Liu	Provision of property management service to properties of or occupied by higher education institutions and hospitals; government facilities; and residential properties in Anhui province

Company	Shareholding Structure	Business Scope
Yunnan Mingde	51% by Shandong Mingde; 19% directly by Mr. Liu	Provision of property management service to properties of or occupied by higher education institutions and hospitals; industrial parks; government facilities; and residential properties in Yunnan province, Jiangsu province and Guizhou province
Heilongjiang Mingde	70% by Mr. Liu	Provision of property management services to properties of or occupied by higher education institutions and hospitals; and government facilities in Heilongjiang province and Inner Mongolia autonomous region
Shenyang Mingde	60% by Mr. Liu	Provision of property management services to properties of or occupied by higher education institutions and hospitals in Liaoning province
Qingdao Fuwanjia	40% by Mr. Liu	Provision of property management services to residential buildings in Qingdao

Our Directors are of the view that apart from the management of residential properties, there is no overlap between the business of Mingde Group and our Group given the different types of real estate for which management services are provided by each group. Having taken into account that (a) our Company provides property management services primarily to mid-to high-end residential development projects which, as confirmed by Mr. Liu, is not the category of residential market in which Mingde Group operates and is not the target market of Mingde Group; and (b) Mr. Liu has undertaken to procure Mingde Group not to engage in any business that may compete with our business (save for continuation of the categories of residential properties for which management services are provided by Mingde Group as of the date of the undertaking), our Directors are of the view that no material competition exists between Mingde Group and us.

Although Mr. Liu serves as the chairman of Shandong Mingde and holds certain equity interests in Mingde Group, he does not participate in the daily operations of Mingde Group. On the contrary, Mr. Liu primarily focuses on our business operations as an executive Director and chief executive officer and is responsible for our overall operations and management and major decision making.

Furthermore, as one of the nine members of our Board, Mr. Liu is not able to exercise control over the Board and does not have veto power on any matter. Our Directors believe that we have formulated adequate corporate governance measures to monitor and manage any potential conflict of interests of our Directors. For details of our related corporate governance measures, please refer to the section entitled “Relationship with our Controlling Shareholders—Corporate Governance Measures” in the prospectus.

Mr. Liu is currently the vice chairman of China Property Management Institute (中國物業管理協會) and a member of the expert committee of the working committee of standardization of China Property Management Institute (中國物業管理協會標準化工作委員會專家委員會). He is also the vice president of Shandong Province Real Estate Association (山東省

房地產業協會) and the vice president of Jinan City Property Management Industry Association (濟南市物業管理行業協會) in the PRC. Mr. Liu also have various publications on property management research including Classic Property Management Planning (精典物業管理方案), Classic Cases on Property Management Disputes (物業管理糾紛精典案例) and Standardization of Property Management Services for Higher Education Institutions (高校物業管理服務規範).

Mr. Liu obtained his bachelor's degree in literature from Qufu Normal University (曲阜師範大學) in the PRC in June 1991.

Mr. Feng Xin (馮欣), aged 46, was appointed as our executive Director on July 21, 2017 and responsible for assisting the chief executive officer with business planning, overall management of property management and business development of our Group. Mr. Feng has over 20 years of experience in property management. Mr. Feng joined our Company as the property manager in Nanhai project in June 2002 and was promoted to deputy director of Foshan region in March 2008, managing director of South China region in March 2012, and general manager of property management center in April 2015. Mr. Feng has been the vice president of our Group since January 2017.

Prior to joining our Group, from February 1993 to April 1995, Mr. Feng was a director of Guangzhou World Trade Center Complex Property Management Co., Ltd. (廣州世界貿易中心大廈物業管理有限公司), which is under Pearl River Property Hotel Management Co., Ltd. (珠江物業酒店管理有限公司) (the "**Pearl River Management**"), a company primarily engaged in hotel and property management. In May 1995, he was promoted to manager of one of the subsidiaries of Pearl River Management and was responsible for the management and operations of commercial properties. In April 1997, Mr. Feng was further promoted to deputy general manager of outsourcing projects and was responsible for the overall management of outsourcing projects.

Mr. Feng graduated from Jinan University (暨南大學) in the PRC majoring in Chinese language and literature in July 1992 and graduated from Beijing International University (北京外事研修學院) majoring in English in the PRC in July 2007.

Mr. Feng was elected as an elite representative in March 2016 and as an elite in the property management industry in September 2016 by Guangdong Property Management Industry Institute (廣東省物業管理行業協會).

Mr. Wang Wei (王煒), aged 46, was appointed as our executive Director on July 21, 2017 where he was responsible for overall management and operations of Greenland Property Services. Mr. Wang has over 18 years of experience in property management. Mr. Wang served as the general manager of Greenland Property Services since November 2012, where he was responsible for overall operations and management of the company.

From July 1990 to November 1999, Mr. Wang served as the assistant general manager of Shanghai Electrical Light Sources Co. (上海電光源公司), a company primarily engaged in light source manufacturing, where he was responsible for technology, security and education training. From December 1999 to December 2000, Mr. Wang served as a deputy director of building property of Raventon (Shanghai) Co., Ltd. (偉恒通(上海)有限公司), a company primarily engaged in property development and management, where he was responsible for administration and customer management services.

Mr. Wang graduated from Shanghai University of Engineering Science (上海工程技術大學) in the PRC majoring in operations management in April 1999 and graduated from Sichuan University (四川大學) in the PRC through online education majoring in human resources management in June 2010. He also obtained his registered property manager certificate from Shanghai Human Resources and Social Security Bureau (上海市人力資源和社會保障局) in February 2012.

Mr. Wang was elected as an elite representative by the Trade Association of Shanghai Property Management (上海市物業管理行業協會) in January 2015 on its 20th anniversary.

Non-executive Directors

Mr. Chan Cheuk Hung (陳卓雄), aged 60, was appointed as our non-executive Director on July 21, 2017 and as the co-chairman of our Board on August 27, 2017. Mr. Chan is responsible for the formulation and provision of guidance and development strategies for the overall development of our Group. He has been an executive director and senior vice president of Agile Holdings since November 2005 and responsible for its overall strategic decisions, business planning and major operational decisions. Mr. Chan has over 24 years of experience in real estate development and related businesses.

Mr. Chan received various awards including pioneer worker (先進工作者) for the year of 1998 by Zhongshan Individual Workers Association (中山市個體勞動者協會) and Zhongshan Private Enterprise Association (中山市私營企業協會) and the Outstanding Contribution Award for Community Development (小區建設突出貢獻獎) in the Evaluation of the National Representative Well-off Residential Community (國家小康住宅示範小區評比) by the Ministry of Construction of the PRC (中華人民共和國國家建設部) in 2000. Mr. Chan also served as an executive director of the second council of Zhongshan Private Enterprise Association (中山市私營企業協會第二屆理事會) and the fourth council of the Zhongshan Individual Workers Association (中山市個體勞動者協會第四屆理事會) in 1999, and a director and executive director of Guangdong Real Estate Association (廣東省房地產業協會) in 2004.

Mr. Wei Xianzhong (魏憲忠), aged 54, was appointed as our non-executive Director on August 21, 2017 and is responsible for provision of the guidance for the overall development of our Group.

Mr. Wei served as an engineer at Xi'an Design and Research Institute of the Ministry of Coal Industry (煤炭工業部西安設計研究院), a company primarily engaged in coal mine survey, mining area construction, and project planning and design, where he was responsible for project budget and accounting, and technical and economic analysis from August 1985 to February 1993. He successively served as office manager, manager of business department and assistant general manager at Shanghai Jiaxin Real Estate Development Company (上海佳信房地產開發公司), a real estate development company, where he was responsible for project marketing and company administration from February 1993 to December 2001. Mr. Wei served as sales director at Shanghai Zhongjian Real Estate (Group) Co., Ltd. (上海中建房產（集團）有限公司), a real estate development company, where he was responsible for project marketing from January 2002 to December 2002. Since February 2003, Mr. Wei has successively served as marketing director and deputy general manager of business division, and general manager of marketing management department at Greenland Holdings, where he was responsible for project marketing.

Mr. Wei obtained his bachelor's degree in coal mine management engineering from China Mining Institute (中國礦業學院) (now known as China University of Mining and Technology (中國礦業大學)) in the PRC in July 1985.

Mr. Wei was awarded as a meritorious character for the "20th anniversary of Greenland Holdings" (綠地20年功勛人物) by Greenland Holdings.

Independent Non-executive Directors

Mr. WAN Kam To (尹錦滔), aged 65, was appointed as our independent non-executive Director on August 21, 2017. Mr. Wan was a former partner of PricewaterhouseCoopers and has been a practicing accountant in Hong Kong for over 40 years with extensive experience in auditing, finance, advisory and management.

Mr. Wan currently serves or has served as an independent non-executive director in the following listed companies over the past three years:

Company	Stock Code	Stock exchange where the company is listed	Duration
China Resources Land Limited	1109	Stock Exchange	Since March 2009
Fairwood Holdings Limited	52	Stock Exchange	Since September 2009
Huaneng Renewables Corporation Limited	958	Stock Exchange	Since August 2010
Dalian Port (PDA) Company Limited	2880 601880	Stock Exchange Shanghai Stock Exchange	From June 2011 to June 2017
KFM Kingdom Holdings Limited	3816	Stock Exchange	Since September 2012
S. Culture International Holdings Limited	1255	Stock Exchange	From May 2013 to July 2017
Shanghai Pharmaceuticals Holding Co., Ltd.	2607 601607	Stock Exchange Shanghai Stock Exchange	Since June 2013
Harbin Bank Co., Ltd.	6138	Stock Exchange	Since October 2013
Kerry Logistics Network Limited	636	Stock Exchange	Since November 2013
Target Insurance (Holdings) Limited	6161	Stock Exchange	Since November 2014
China World Trade Center Co. Ltd	600007	Shanghai Stock Exchange	Since November 2016
Mindray Medical International Limited	MR	New York Stock Exchange	From September 2008 to December 2014
RDA Microelectronics, Inc.	RDA	NASDAQ	From November 2010 to July 2014

Notwithstanding Mr. Wan's engagement as an independent non-executive director of nine companies listed on the Stock Exchange, as advised and confirmed by Mr. Wan, he has sufficient time to act as an independent non-executive Director based on the following:

(i) since retirement from PricewaterhouseCoopers, Mr. Wan has not taken up any full time employment in any capacity except serving as an independent non-executive director in the listed companies. With his background and experience, Mr. Wan is fully aware of the responsibilities and expected time involvements for independent non-executive director. He has not found difficulties in devoting to and managing his time to numerous companies and he is confident that with his experience in being responsible for multiple roles, he will be able to discharge his duties to our Company; and

(ii) Mr. Wan's role in our Group is non-executive in nature and he will not be involved in the daily management of our Group's business, thus his engagement as an independent non-executive Director will not require his full-time participation.

Based on the foregoing, our Directors do not have reasons to believe that the various positions currently held by Mr. Wan will result in Mr. Wan not having sufficient time to act as an independent non-executive Director or not properly discharging his fiduciary duties as a director of our Company.

Mr. Wan is currently a council member of The Open University of Hong Kong and a fellow member of Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.

Mr. Wan graduated from the accountancy department of Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) with a higher diploma in 1975.

Mr. Wan Sai Cheong, Joseph (溫世昌), aged 63, was appointed as our independent non-executive Director on August 21, 2017. Mr. Wan has over 39 years of experience in accounting and finance.

From April 1978 to March 1987, Mr. Wan worked for KPMG in Hong Kong, spending a year at its London Office. From April 1987 to June 1992, he served as a finance director at Dickson Concepts (International) Limited, a company engaged in luxury goods distribution in Southeast Asia and listed on the Stock Exchange (stock code: 113), and was responsible for the acquisitions of S.T. Dupont, Paris in 1987 and Harvey Nichols, London in 1991. From August 1992 to March 2014, Mr. Wan was the chief executive of Harvey Nichols Group in the United Kingdom, a company engaged in department store retailing and listed on the London Stock Exchange from 1996 to 2003. Since May 1999, Mr. Wan served as a member of the supervisory board of S. T. Dupont S. A., a company engaged in the manufacturing and distribution of lighter, writing instrument, leather good and accessories and menswear under the S.T. Dupont brand and listed on the Paris Bourse (stock code: DPT) and as the chairman since January 2008 until his retirement in September 2014. Since February 2016, Mr. Wan has been serving as an independent non-executive director of Hop Hing Group Holdings Limited (合興集團控股有限公司), a company listed on the Stock Exchange (stock code: 47), and is currently the chairman of its audit committee.

Mr. Wan currently serves as a vice chairperson of the Hong Kong International Arbitration Centre and chairperson of its finance and administration committee. He was a director of the London Court of International Arbitration from February 2012 to September 2014 and a director of the International Dispute Resolution Centre in the UK from June 2009 to September 2014.

Mr. Wan is currently a fellow member of the Institute of Chartered Accountants in England and Wales, the Chartered Institute of Arbitrators, the Institute of Directors, the Royal Society of Arts and the Hong Kong Institute of Certified Public Accountants.

Mr. Wang Peng (王鵬), aged 42, was appointed as our independent non-executive Director on August 21, 2017. Since July 2003, Mr. Wang successively served as director of publicity department, deputy secretary general, secretary general and vice president at China Property Management Association (中國物業管理協會), an industry association of property management enterprises, where he is responsible for administration, human resources, financial budgeting and internal management.

Mr. Wang obtained his executive master of business administration (EMBA) from Hebei University of Technology (河北工業大學) in the PRC in January 2015.

Save as disclosed above, none of our Directors has any other directorships in listed companies during the three years immediately prior to the date of this prospectus.

Save as disclosed in this prospectus, each of our Directors has confirmed that there are no other matters relating to his appointment as a Director that need to be brought to the attention of our Shareholders and there is no other information in relation to his appointment which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

SUPERVISORS

In accordance with the Company Law of the PRC, all shareholding corporations are required to establish a supervisory committee, responsible for supervising the board of directors and senior management on fulfilling their respective duties, financial performance, internal control management and risk management of the corporation. The Supervisory Committee consists of five members comprising two employee representative Supervisors, one Supervisor representing a Shareholder and two external Supervisors.

The detailed information of our Supervisors are listed below.

Supervisors

Name	Age	Time of joining our Group	Existing position in our Company	Date of appointment as Supervisors	Responsibilities
Chen Liru (陳麗茹)	49	May 2009	Employee representative Supervisor	July 21, 2017	Presiding the work of the Supervisory Committee, responsible for supervising the Board and the senior management of our Company
Huang Zhixia (黃智霞)	35	April 2015	Employee representative Supervisor	July 21, 2017	Responsible for supervising the Board and the senior management of our Company
Shi Zhengyu (施征宇)	45	July 2017	Supervisor representing a Shareholder	July 21, 2017	Responsible for supervising the Board and the senior management of our Company
Li Jianhui (李健輝)	54	August 2017	External Supervisor	August 21, 2017	Responsible for supervising the Board and the senior management of our Company
Wang Shao (王韶)	46	August 2017	External Supervisor	August 21, 2017	Responsible for supervising the Board and the senior management of our Company

Ms. Chen Liru (陳麗茹), aged 49, was appointed as our Supervisor and the president of the Supervisory Committee on July 21, 2017. Ms. Chen has over 24 years of experience in financial management. Ms. Chen joined our Group as the financial manager of our Zhongshan branch office in May 2009 where she was responsible for financial management. She joined Agile Holdings as a financial director in March 1991, and was promoted to financial manager, where she was responsible for accounting and financial analysis for the real estate projects developed in Zhongshan.

Ms. Chen graduated from South China Normal University (華南師範大學) in the PRC with a major in accounting in June 2013 through online education. She obtained her junior accountant certificate and intermediate accountant certificate from MOF in May 2000 and September 2015, respectively. She also obtained the certificate of senior international finance manager (高級國際財務管理師) from the Ministry of Human Resources and Social Security of the PRC (中華人民共和國人力資源和社會保障部) in December 2014.

Ms. Huang Zhixia (黃智霞), aged 35, was appointed as our Supervisor on July 21, 2017. She has been the administrative manager of our Company since April 2015 and responsible for administration. Ms. Huang has over 12 years of experience in administration. Ms. Huang joined Agile Holdings in June 2004 as an administrative manager and was responsible for administration and management of Agile Holdings.

Ms. Huang graduated from Guangdong AIB Polytechnic College (廣東農工商職業技術學院) in the PRC with a major in e-commerce in June 2003 and graduated from Sun Yat-sen University (中山大學) in the PRC with major of business management through online education in July 2013.

Mr. Shi Zhengyu (施征宇), aged 45, was appointed as our Supervisor on July 21, 2017. Mr. Shi held various positions in Agricultural Bank of China from July 1995 to May 2017, where he last served as a general manager of real estate finance department of the Shanghai branch and was responsible for overall business development and planning, and market expansion of real estate sector. Since June 2017, he has been a deputy general manager and person in charge of finance at Greenland Overseas, where he is responsible for corporate accounting management, financial management and supervision, establishment of internal control and major financial affair supervision.

Mr. Shi obtained his master's degree in applied economics from Xi'an Jiaotong University (西安交通大學) in the PRC in June 2005.

Mr. Li Jianhui (李健輝), aged 54, was appointed as our Supervisor on August 21, 2017.

Mr. Li served various positions in Guangzhou Yuehua Property Co., Ltd. (廣州粵華物業有限公司) (formerly known as Guangzhou Yuehua Property Company (廣州粵華物業公司)) ("**Guangzhou Yuehua**"), a property management company, since July 1996. Including served as a director of building management office since July 1996, the general manager of Guangzhou Yuehua from April 1998 to February 2002, the chairman and general manager of Guangzhou Yuehua from February 2002 to December 2016, and the chairman of Guangzhou Yuehua since January 2017, and is currently responsible for the overall operation Guangzhou Yuehua.

Mr. Li obtained his bachelor's degree in guidance radar high frequency communication from Air Force Second Antiaircraft Artillery Academy (空軍第二高射炮兵學院) in the PRC in July 1983.

Mr. Li is currently the vice chairman of China Property Management Institute (中國物業管理協會). He is also the executive director and executive president of Guangdong Property Management Industry Institute (廣東省物業管理行業協會). Mr. Li obtained the certificate of senior operator (高級經營師) from the Ministry of Labor and Social Security of the PRC (中華人民共和國勞動和社會保障部) (now known as the Ministry of Human Resources and Social Security of the PRC (中華人民共和國人力資源和社會保障部)) in June 2004 and the certificate of senior international finance manager (高級國際財務管理師) from International Financial Management Association (國際財務管理協會) in January 2007.

Mr. Wang Shao (王韶), aged 46, was appointed as our Supervisor on August 21, 2017.

Mr. Wang has been serving Guangdong Real Estate Association (廣東省房地產行業協會) since October 1994, and is currently the president where he is responsible for its overall management, including strategic planning, public relations and presiding the council meeting. Since June 2003, he has also served various positions in Southern Real Estate Magazine (南方房地產雜誌社), an affiliate to Guangdong Real Estate Association, where he is currently the president and is responsible for its overall management, including planning, management by objectives and communications and cooperations.

Mr. Wang graduated from Sun Yat-sen University (中山大學) in the PRC majoring in real estate brokerage and management in June 1994, and his bachelor's degree in administration management from the same university in July 1999.

Mr. Wang is currently an executive director of China Real Estate Association (中國房地產業協會).

Save as disclosed above, none of our Supervisors has any other directorships in listed companies during the three years immediately prior to the date of this prospectus.

Save as disclosed in this prospectus, each of our Supervisors has confirmed that there are no other matters relating to his appointment as a Supervisor that need to be brought to the attention of our Shareholders and there is no other information in relation to his/her appointment which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

SENIOR MANAGEMENT

The chief executive officer and other members of the senior management of the Group, together with our executive Directors, are responsible for the day-to-day operations and management of the business of our Group.

Please refer to the paragraph entitled "—Executive Directors" for the biographical details of Mr. Liu Deming and Mr. Feng Xin. Members of the senior management of our Group also include the following:

Senior Management

Name	Age	Time of joining our Group	Position in our Company	Date of appointment as senior management	Key responsibilities
Mao Jianping (毛建平)	48	May 2017	Vice president	May 2017	Property sales, property inspection, advertising and tourism services
Dong Yafu (董亞夫)	40	August 2015	Vice president	August 2015	Overall management of the intelligent technology center and value-added services in network technology platform

Name	Age	Time of joining our Group	Position in our Company	Date of appointment as senior management	Key responsibilities
Li Dalong (李大龍)	33	August 2016	Chief financial officer and joint company secretary	August 2016	Financial management, accounting, investment and acquisitions and company secretarial matters within our Group

Mr. Mao Jianping (毛建平), aged 48, has been the vice president of our Company since May 2017 and is responsible for property sales, property inspection, advertising and tourism services of our Group. Mr. Mao has over 23 years of experience in real estate development and property management. Mr. Mao joined Agile Holdings in September 1994 and was responsible for construction and budget management. He served as deputy general manager of Nanjing project of Agile Holdings from June 2006 to July 2009, and general manager from August 2009 to January 2011, where he was responsible for real estate development, sales and property management. He served as a regional manager of eastern China of Agile Holdings from February 2011 to March 2015, where he was responsible for general operational management, formulation of long term development plans, and cost control and execution of Agile Holdings in eastern China. Mr. Mao served as a general manager of the Nanjing branch of Agile Holdings from April 2015 to April 2017, where he was responsible for real estate development, sales and property management.

Mr. Mao obtained his certificate of engineering cost assessor (造價工程師) from Guangdong Human Resources and Social Security Department (廣東省人事廳) in 2002 and certificate of senior economist (高級經濟師) from Jiangsu Human Resources and Social Security Department (江蘇省人力資源和社會保障廳) in 2010.

Mr. Mao received various awards including New Leaders of Nanjing Real Estate (南京地產新領軍人物獎項) in 2010 and Top Ten Characters in Nanjing Real Estate (南京地產十大魅力人物獎項) in 2011. He also served as a deputy for the second national people's congress in the Qinhuai District of Nanjing City.

Mr. Mao graduated from Guizhou Radio and Television University (貴州廣播電視大學) in the PRC majoring in industry automation in September 1991.

Mr. Dong Yafu (董亞夫), aged 40, has been the vice president of our Company since August 2015 and is responsible for overall management of the intelligent technology center and value-added services in network technology platform of our Group. Mr. Dong has over 10 years of experience in internet business.

Prior to joining our Group, from March 2006 to December 2006, he was a sales manager at Guangdong branch of Yeepay Co., Ltd. (易寶支付有限公司) (previously known as Beijing Tongrongtong Information Technology Co., Ltd. (北京通融通信息技術有限公司)), a company primarily engaged in electronic payment, where he was responsible for business development of electronic payment system. From January 2007 to November 2010, Mr. Dong was the sales director of 99 Bill Payment Clearing Information Co., Ltd. (快錢支付清算信息有限公司), a company primarily engaged in electronic payment, where he was responsible for business development in South China. From September 2012 to July 2015, he was a senior director of community center and deputy general manager of internet technology of Color Life Services Group Co., Limited (彩生活服務集團有限公司), a property management company listed on the Stock Exchange (stock code: 1778), where he was responsible for the construction and operation of internet platform.

Mr. Dong obtained his bachelor's degree in industrial engineering from Zhengzhou University of Aeronautics (鄭州航空工業管理學院) in the PRC in June 1998.

Mr. Li Dalong (李大龍), aged 33, has been the chief financial officer and joint company secretary of our Company since August 2016 and is responsible for financial management, accounting, investment and acquisitions and company secretarial matters of our Group. He has over 11 years of experience in accounting and capital market.

Prior to joining our Group, from November 2013 to June 2016, Mr. Li was a senior manager of the capital market department at PricewaterhouseCoopers (Hong Kong), an accounting firm, where he primarily provided a series of professional services in connection with capital markets transactions, including initial public offerings in A share and Hong Kong markets as well as mergers and acquisitions. From August 2005 to November 2013, Mr. Li successively served as auditor, senior auditor, manager and senior manager at PricewaterhouseCoopers Zhongtian LLP (Shanghai), an accounting firm, where he primarily provided auditing, internal control, accounting consultation and other professional services for various customers, including listed companies, private enterprises, state-owned enterprises and foreign enterprises.

Mr. Li is a member of the Chinese Institute of Certified Public Accountants in the PRC. He obtained his bachelor's degree in literature in July 2005, and second bachelor's degree in administration management in June 2005, from Shanghai Jiao Tong University (上海交通大學) in the PRC.

Joint Company Secretaries

Mr. Li Dalong (李大龍), aged 33, was appointed as our joint company secretary on August 27, 2017. For details of Mr. Li Dalong, please refer to "—Senior Management" in this section.

Ms. Choy Yee Man (蔡綺文), aged 49, was appointed as our joint company secretary on August 27, 2017. Ms. Choy is a director of corporate services of Tricor Services Limited, a global professional services provider specializing in integrated business, corporate and investor services.

Ms. Choy has over 20 years of experience in the corporate services field. She has been providing professional corporate services to Hong Kong listed companies and real estate investment trusts (including dual listed companies and dual listed real estate trust) as well as multinational, private and offshore companies. Her expertise extends from corporate consultation and compliance, corporate restructuring to dissolution of companies. Ms. Choy is currently the assistant company secretary or joint company secretary of three listed companies on the Stock Exchange, namely, KAZ Minerals PLC (stock code: 847), Fast Retailing Co., Ltd. (stock code: 6288) and Bestway Global Holdings Inc. (stock code: 3358).

Ms. Choy is a Chartered Secretary and a fellow member of The Hong Kong Institute of Chartered Secretaries and a member of The Institute of Chartered Secretaries and Administrators in the United Kingdom. Ms. Choy holds a bachelor of arts degree in accountancy from City Polytechnic of Hong Kong (now known as City University of Hong Kong).

Board Committees

Audit Committee

We have established an audit committee with written terms of reference in compliance with the Corporate Governance Code as set out in Appendix 14 to the Listing Rules. The primary duties of the audit committee are to review and supervise our financial reporting process and internal control system of our Group, risk management and internal audit, provide advice and comments to our Board and perform other duties and responsibilities as may be assigned by our Board.

The audit committee consists of three members, namely Mr. Wan Kam To, Mr. Wan Sai Cheong, Joseph and Mr. Wang Peng. The chairman of the audit committee is Mr. Wan Kam To, who is an independent non-executive Director with the appropriate accounting and related financial management expertise.

Remuneration and Appraisal Committee

We have established a remuneration and appraisal committee with written terms of reference in compliance with the Corporate Governance Code as set out in Appendix 14 of the Listing Rules. The primary duties of the remuneration and appraisal committee are to establish, review and provide advices to our Board on our policy and structure concerning remuneration of our Directors and senior management and on the establishment of a formal and transparent procedure for developing policies concerning such remuneration, determine the terms of the specific remuneration package of each executive Director and senior management and review and approve performance-based remuneration by reference to corporate goals and objectives resolved by our Directors from time-to-time.

The remuneration and appraisal committee consists of four members, namely Mr. Wang Peng, Mr. Huang Fengchao, Mr. Wan Kam To and Mr. Wan Sai Cheong, Joseph. The chairman of the remuneration and appraisal committee is Mr. Wang Peng.

Nomination Committee

We have established a nomination committee with written terms of reference in compliance with the Corporate Governance Code as set out in Appendix 14 of the Listing Rules. The primary duties of the nomination committee are to review the structure, size and composition of our Board on a regular basis and make recommendations to the Board regarding any proposed changes to the composition of our Board; identify, select or make recommendations to our Board on the selection of individuals nominated for directorship, and ensure the diversity of our Board members; assess the independence of our independent non-executive Directors and make recommendations to our Board on relevant matters relating to the appointment, reappointment and removal of our Directors and succession planning for our Directors.

The nomination committee consists of five members, namely Mr. Wan Sai Cheong, Joseph, Mr. Huang Fengchao, Mr. Liu Deming, Mr. Wan Kam To and Mr. Wang Peng. The chairman of the nomination committee is Mr. Wan Sai Cheong, Joseph.

Risk Management Committee

We have established a risk management committee with written terms of reference. The primary duties of the risk management committee are to consider and formulate risk management framework; identify, analyze, evaluate and determine the risks faced by the Group; systematically organize, mitigate and monitor risks; review and assess the effectiveness of the Group's management framework; monitor the implementation of risk control and ensure appropriate internal risk controls are effectively implemented; review the changes in the nature and extent of significant risks, and the Company's ability to respond to changes in its business and external environment; monitor continuously the scope and quality of risk management and the other providers of assurance (where applicable); and report any significant risk management issues to the Board and suggest solutions.

The risk management committee consists of four members, namely Mr. Huang Fengchao, Mr. Chan Cheuk Hung, Mr. Liu Deming and Mr. Wan Kam To. The chairman of the risk management committee is Mr. Huang Fengchao.

Compensation of Directors, Supervisors and Senior Management

Our Directors and members of our senior management receive compensation from our Company in the form of salaries, bonuses and other benefits in kind such as contributions to pension plans.

The remuneration (including fees, salaries, contributions to pension schemes, discretionary bonuses, housing and other allowances and other benefits in kind) paid to our Directors in aggregate for the three years ended December 31, 2016 and nine months ended September 30, 2017 were approximately RMB0.7 million, RMB0.8 million, RMB3.0 million and RMB3.9 million, respectively.

The remuneration (including fees, salaries, contributions to pension schemes, discretionary bonuses, housing and other allowances and other benefits in kind) paid to our Group's five highest paid individuals (including our Directors) in aggregate for the three years ended December 31, 2016 and nine months ended September 30, 2017 were approximately RMB2.4 million, RMB4.1 million, RMB7.7 million and RMB7.0 million respectively.

During the Track Record Period, no remuneration was paid by us to, or receivable by, our Directors or the five highest paid individuals as an inducement to join or upon joining our Company as a compensation for the of office in respect of the years ended December 31, 2014, 2015 and 2016 and the nine months ended September 30, 2017.

None of our Directors had waived or agreed to waive any remuneration during the Track Record Period. Pursuant to the existing arrangements that are currently in force as of the date of this prospectus, the amount of remuneration (including benefits in kind but excluding discretionary bonuses) payable to our Directors by our Company for the year ended December 31, 2017 was approximately RMB5.9 million in aggregate.

Our Board will review and determine the remuneration and compensation packages of our Directors and senior management and will, following the Listing, receive recommendation from our remuneration and appraisal committee which will take into account salaries paid by comparable companies, time commitment and responsibilities of our Directors and performance of our Group.

Save as disclosed in this prospectus, no other payments had been made, or are payable, by any member of our Group to our Directors during the Track Record Period. For additional information on our Directors' remuneration during the Track Record Period as well as information on the highest paid individuals, please refer to Notes 33 and 9 in the Accountant's Report set out in Appendix I to this prospectus.

COMPLIANCE ADVISOR

Our Company has appointed Ballas Capital Limited as our compliance advisor pursuant to Rule 3A.19 of the Listing Rules. The material terms of the compliance advisor's agreement entered into between our Company and the compliance advisor are as follows:

(1) the compliance advisor shall provide our Company with services including guidance and advice as to compliance with the requirement of the Listing Rules and other applicable laws, rules, codes and guidelines, and accompany our Company to any meetings with the Stock Exchange;

(2) our Company may terminate the appointment of the compliance advisor by giving a no less than 30 days' prior written notice to the compliance advisor. Our Company will exercise such right in compliance with Rule 3A.26 of the Listing Rules. The compliance advisor will have the right to terminate its appointment as compliance advisor under certain specific circumstances and upon notification of the reason of its resignation to the Stock Exchange; and

(3) during the period of appointment, our Company must consult with, and if necessary, seek advice from the compliance advisor on a timely basis in the following circumstances:

   (a) before the publication of any regulatory announcement, circular or financial report;

   (b) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;

   (c) where we propose to use the proceeds of the Global Offering in a manner different from that detailed in this prospectus or where our business activities, developments or results materially deviate from any forecast, estimate, or other information in this prospectus; and

   (d) where the Stock Exchange makes an inquiry of our Company regarding unusual movements in the price or trading volume of our Shares.

The term of the appointment shall commence on the Listing Date and end on the date on which we distribute our annual report in respect of our financial results for the first full financial year commencing after the Listing Date.

Corporate Governance Code

We aim to achieve high standards of corporate governance which are crucial to our development and safeguard the interests of our Shareholders. To accomplish this, we expect to comply with the Corporate Governance Code set out in Appendix 14 to the Listing Rules and the associated Listing Rules after the Listing.

As of the Latest Practicable Date, the registered share capital of our Company is RMB1,000 million, divided into 1,000,000,000 Shares, including 892,800,000 Domestic Shares and 107,200,000 Unlisted Foreign Shares, with a nominal value of RMB1.00 each.

Assuming the Over-allotment Option is not exercised, the share capital of our Company immediately after the completion of the Global Offering will be as follows:

Number of Shares	Description of Shares	Approximate percentage of total share capital
892,800,000	Domestic Shares(1)	66.96%
100,000,000	H Shares to be converted from Unlisted Foreign Shares(2)	7.50%
7,200,000	Unlisted Foreign Shares(3)	0.54%
333,334,000	H Shares to be issued under the Global Offering	25.00%
1,333,334,000		100.00%

Assuming the Over-allotment Option is exercised in full, the share capital of our Company immediately after the completion of the Global Offering will be as follows:

Number of Shares	Description of Shares	Approximate percentage of total share capital
892,800,000	Domestic Shares(1)	64.54%
100,000,000	H Shares to be converted from Unlisted Foreign Shares(2)	7.23%
7,200,000	Unlisted Foreign Shares(3)	0.52%
383,334,000	H Shares to be issued under the Global Offering	27.71%
1,383,334,000		100.00%

Notes:

(1) These Domestic Shares are held by existing Shareholders, Zhongshan A-Living, Gongqingcheng Investment and Ningbo Lvjin, and may be converted into H Shares. Please see the paragraph entitled "—Conversion of unlisted Shares into H Shares" in this section.

(2) These H Shares are to be converted from Unlisted Foreign Shares into H Shares and held by an existing Shareholder, Greenland Overseas, please see the paragraph entitled "—Conversion of Unlisted Foreign Shares held by Greenland Overseas" in this section.

(3) These Unlisted Foreign Shares are held by an existing Shareholder, Deluxe Star, which will not be converted into H Shares after the completion of Global offering, and therefore will not be listed on the Stock Exchange. However, these Unlisted Foreign Shares may be converted into H Shares in the future, please see "Conversion of our unlisted Shares into H Shares" in this section.

PUBLIC FLOAT REQUIREMENTS

Rule 8.08 of the Listing Rules requires there to be an open market in the securities for which listing is sought and for a sufficient public float of an issuer's listed securities to be maintained. This normally means that (i) at least 25% of the issuer's total issued shares must at all times be held by public; and (ii) where an issuer has one class of securities or more apart from the class of securities for which listing is sought, the total securities of the issuer held by the public (on all regulated market(s) including the Stock Exchange) at the time of listing must be at least 25% of the issuer's total issued shares. However, the class of securities for which listing is sought must not be less than 15% of the issuer's total issued shares and must have an expected market capitalization at the time of listing of not less than HK$50 million.

Based on the information in the above tables, our Company will meet the public float requirement under the Listing Rules after the completion of the Global Offering (whether or not the Over-allotment Option is exercised in full). We will make appropriate disclosure of our public float and confirm the sufficiency of our public float in successive annual reports after Listing.

The above tables assume the Global Offering becomes unconditional and is completed.

CONVERSION OF OUR UNLISTED SHARES INTO H SHARES

Conversion of unlisted Shares into H Shares

We have three classes of ordinary shares, Domestic Shares, Unlisted Foreign Shares and H Shares. Our Domestic Shares and Unlisted Foreign Shares are unlisted Shares which are currently not listed or traded on any stock exchange. According to the stipulations by the State Council's securities regulatory authority and the Articles of Association, our unlisted Shares may be converted into H Shares, and such converted shares may be listed or traded on an overseas stock exchange, provided that prior to the conversion and trading of such converted shares any requisite internal approval processes shall have been duly completed and the approval from the relevant PRC regulatory authorities, including the CSRC, shall have been obtained. In addition, such conversion, trading and listing shall in all respects comply with the regulations prescribed by the State Council's securities regulatory authorities and the regulations, requirements and procedures prescribed by the relevant overseas stock exchange.

Approval of the Stock Exchange is required for the listing of such converted shares on the Stock Exchange. Based on the methodology and procedures for the conversion of our unlisted Shares into H Shares as described in this section, we can apply for the listing of all or any portion of our unlisted Shares on the Stock Exchange as H Shares in advance of any proposed conversion to ensure that the conversion process can be completed promptly upon notice to the Stock Exchange and delivery of shares for entry on the H Share register. As any listing of additional Shares after our Listing on the Stock Exchange is ordinarily considered by the Stock Exchange to be a purely administrative matter, it does not require such prior application for listing at the time of our Listing in Hong Kong.

No Shareholder voting by class is required for the listing and trading of the converted shares on an overseas stock exchange. Any application for listing of the converted shares on the Stock Exchange after our initial listing is subject to prior notification by way of announcement to inform Shareholders and the public of any proposed transfer.

In view of the above, our PRC Legal Advisor has advised us that the Articles of Association of our Company does not contradict any Chinese laws and regulations in the conversion of Unlisted Shares.

Mechanism and procedures for conversion of unlisted Shares

After all the requisite approvals have been obtained, the following procedures will need to be completed in order to effect the conversion: the relevant unlisted Shares will be withdrawn from the CSDCC and we will re-register such Shares on our H Share register maintained in Hong Kong and instruct the H Share Registrar to issue H Share certificates. Registration on our H Share Register will be conditioned on (i) our H Share Registrar lodging with the Stock Exchange a letter confirming the proper entry of the relevant H Shares on the H Share register and the due dispatch of H Share certificates, and (ii) the admission of the H Shares to trade on the Stock Exchange complying with the Listing Rules and the General Rules of CCASS and the CCASS Operational Procedures in force from time to time. Until the transferred shares are re-registered on our H Share register, such Shares would not be listed as H Shares.

To the best knowledge of our Directors, other than the disclosure in this prospectus, none of our holders of unlisted Shares is currently intending to convert any unlisted Shares held into H Shares.

Conversion of Unlisted Foreign Shares held by Greenland Overseas

Following the completion of the Global Offering and according to the approvals issued by the CSRC on December 21, 2017, the Unlisted Foreign Shares held by Greenland Overseas will be converted into H Shares on a one-for-one basis and listed on Hong Kong Stock Exchange for trading.

SHARE CLASSES

Upon the completion of Global Offering and after the Unlisted Foreign Shares held by Greenland Overseas converted into H Shares, the Shares of our Company will be divided into two categories: the non-overseas listed shares (including Unlisted Foreign Shares and Domestic Shares) and H Shares. The two classes of Shares are both ordinary shares in the share capital of our Company. H Shares may only be subscribed for and traded in Hong Kong dollars. Domestic Shares may only be subscribed for and traded in RMB, and Unlisted Foreign Shares can be subscribed for and traded in any foreign currency except for RMB. Apart from certain qualified domestic institutional investors in the PRC, the qualified PRC investors under the Shanghai-Hong Kong Stock Connect, the Shenzhen-Hong Kong Stock Connect or other persons who are entitled to hold our H Shares pursuant to relevant PRC laws and regulations or upon approvals of any competent authorities, H Shares generally cannot be subscribed for by or traded between legal or natural persons of the PRC. Domestic Shares, on the other hand, can be subscribed for by and traded between legal or natural persons of the PRC, qualified foreign institutional investors, and the Unlisted Foreign Shares can be subscribed for by and traded between non-Chinese legal or non-Chinese natural persons only. We must pay all dividends in respect of H Shares in Hong Kong dollars, all dividends in respect of Domestic Shares in RMB, and all dividends in respect of all Unlisted Foreign Shares in foreign currency except for RMB.

Except as described in this prospectus and in relation to the dispatch of notices and financial reports to our Shareholders, dispute resolution, registration of Shares in different parts of our register of Shareholders, methods of share transfer and the appointment of dividend receiving agents, which are all provided for in the Articles of Association and summarized in Appendix VI to this prospectus, our unlisted Shares and H Shares will rank equally with each other in all respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this prospectus (save for the dividends payment in RMB for

Domestic Shares, in foreign currency except for RMB for unlisted Shares and in Hong Kong dollars for H Shares). However, the transfer of unlisted Shares is subject to such restrictions as PRC laws may impose from time to time. Save for the Global Offering, we do not propose to carry out any public or private issue or to place securities simultaneously with the Global Offering or within the next six months from the Listing Date. We have not approved any share issue plan other than the Global Offering.

TRANSFER OF SHARES ISSUED PRIOR TO LISTING DATE

The Company Law provides that in relation to the public offering of a company, the shares issued prior to the public offering shall not be transferred within a period of one year from the date on which the publicly offered shares are listed on any stock exchange. Accordingly, Shares issued by our Company prior to the Listing Date shall be subject to this statutory restriction and not be transferred within a period of one year from the Listing Date. All the existing shareholders of the Company, as well as the two Directors and one senior management who indirectly holds shares in the Company through Gongqingcheng Investment have undertaken that, within the next 12 months from the Listing Date, none of them will transfer or entrust any person to manage the shares held by them prior to the Global Offering.

Please see "Underwriting—Underwriting Arrangements and Expenses—Undertakings to the Hong Kong Stock Exchange pursuant to the Listing Rules—Undertaking by the Controlling Shareholders" for details of the lock-up undertaking given by the Controlling Shareholders to the Stock Exchange. Please see "Underwriting—Underwriting Arrangements and Expenses—Undertakings to the Hong Kong Underwriters pursuant to the Hong Kong Underwriting Agreement" for details of the lock-up undertaking given by the Controlling Shareholders under the Hong Kong Underwriting Agreement.

INCREASE IN SHARE CAPITAL

As advised by our PRC Legal Advisor, pursuant to the Articles of Association and subject to the requirements of relevant PRC laws and regulations, our Company, upon Listing of our H Shares, is eligible to enlarge its share capital by issuing either new H Shares or new unlisted Shares on condition that such proposed issuance shall be approved by a special resolution of Shareholders in general meeting and by holders of Shares of that class of Shareholders whose interest is affected in a separate meeting conducted in accordance with the provisions of the Articles of Association and that such issuance complies with the Listing Rules and other relevant laws and regulations of Hong Kong. To adopt a special resolution of Shareholders in general meeting, more than the two thirds votes represented by the Shareholders (including proxies) present at the general meeting must be exercised in favor of the resolution. Resolutions of a class of Shareholders shall be passed by votes representing more than two thirds of Shareholders with voting rights attending the class Shareholders' meeting.

REGISTRATION OF SHARES NOT LISTED ON THE OVERSEAS STOCK EXCHANGE

According to the Notice of Centralized Registration and Deposit of Non-overseas Listed Shares of Companies Listed on an Overseas Stock Exchange (《關於境外上市公司非境外上市股份集中登記存管有關事宜的通知》) issued by the CSRC, an overseas listed company is required to register its shares that are not listed on the overseas stock exchange with CSDCC within 15 Business Days upon listing and provide a written report to the CSRC regarding the centralized registration and deposit of its unlisted Shares as well as the current offering and listing of shares.

CIRCUMSTANCES UNDER WHICH GENERAL MEETING AND CLASS MEETING ARE REQUIRED

For details of circumstances under which our Shareholders' general meeting and class Shareholders' meeting are required, please see "Voting Rights and Resolution of Shareholders' General Meeting" under "Appendix VI—Summary of the Articles of Association" in this prospectus.

So far as is known to our Directors, as of the Latest Practicable Date and immediately prior to and following the completion of the Global Offering (taking no account of any Shares which may be issued pursuant to the exercise of the Over-allotment Option), the following persons have interests or short positions in our Shares or underlying Shares which fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the issued voting shares of our Company:

			Shares held as of the Latest Practicable Date and immediately prior to the Global Offering[(1)]		Shares held in the relevant class of Shares immediately following the completion of the Global Offering[(1)]		Shares held in the total share capital of the Company immediately following the completion of the Global Offering[(1)]	
Name of Shareholder	**Nature of Interest**	**Class of Shares[(14)]**	**Number**	**Percentage (approx.)**	**Number**	**Percentage (approx.)**	**Number**	**Percentage (approx.)**
Zhongshan A-Living[(2)]	Beneficial owner	Unlisted Shares	712,800,000 Shares (L)	71.28%	712,800,000 Shares (L)	79.20%	712,800,000 Shares (L)	53.46%
Deluxe Star[(2)]	Interest of a controlled corporation/ Beneficial owner	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Makel International[(3)]	Interest of a controlled corporation	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Genesis Global[(4)]	Interest of a controlled corporation	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Eastern Supreme[(5)]	Interest of a controlled corporation	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Agile Holdings[(6)(7)]	Interest of a controlled corporation	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Full Choice Investments Limited[(8)]	Trustee of a trust	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Top Coast Investment Limited[(9)]	Settlor of a trust	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Mr. Chen Zhuo Lin[(10)(11)(12)]	Beneficial of a trust/ Interest of a controlled corporation/ Spouse	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Mr. Chan Cheuk Yin[(10)(13)]	Beneficial of a trust/ Interest of a controlled corporation	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Ms. Luk Sin Fong, Fion[(10)(11)]	Beneficial of a trust/ Interest of a controlled corporation/ Spouse	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%

Name of Shareholder	Nature of Interest	Class of Shares[14]	Shares held as of the Latest Practicable Date and immediately prior to the Global Offering[1]		Shares held in the relevant class of Shares immediately following the completion of the Global Offering[1]		Shares held in the total share capital of the Company immediately following the completion of the Global Offering[1]	
			Number	Percentage (approx.)	Number	Percentage (approx.)	Number	Percentage (approx.)
Mr. Chan Cheuk Hung[10]	Beneficial of a trust	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Mr. Chan Cheuk Hei[10]	Beneficial of a trust/ Beneficial owner	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Mr. Chan Cheuk Nam[10]	Beneficial of a trust/ Beneficial owner	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Ms. Zheng Huiqiong[15]	Spouse	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Ms. Lu Liqing[16]	Spouse	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Ms. Lu Yanping[17]	Spouse	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Ms. Chan Siu Na[18]	Spouse	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Ningbo Lvjin	Beneficial owner	Unlisted Shares	100,000,000 Shares (L)	10.00%	100,000,000 Shares (L)	11.11%	100,000,000 Shares (L)	7.50%
Greenland Overseas	Beneficial owner	H Shares	100,000,000 Shares	10.00%	100,000,000 Shares (L)	23.08%	100,000,000 Shares (L)	7.50%
Greenland Financial Holdings Group Co., Ltd. (綠地金融投資控股集團有限公司)[19]	Interest of a controlled corporation	Unlisted Shares	100,000,000 Shares (L)	10.00%	100,000,000 Shares (L)	11.11%	100,000,000 Shares (L)	7.50%
	Interest of a controlled corporation	H Shares	100,000,000 Shares (L)	10.00%	100,000,000 Shares (L)	23.08%	100,000,000 Shares (L)	7.50%
Greenland Holding Group (綠地控股集團有限公司)[20]	Interest of a controlled corporation	Unlisted Shares	100,000,000 Shares (L)	10.00%	100,000,000 Shares (L)	11.11%	100,000,000 Shares (L)	7.50%
	Interest of a controlled corporation	H Shares	100,000,000 Shares (L)	10.00%	100,000,000 Shares (L)	23.08%	100,000,000 Shares (L)	7.50%

Name of Shareholder	Nature of Interest	Class of Shares[14]	Shares held as of the Latest Practicable Date and immediately prior to the Global Offering[1] Number	Percentage (approx.)	Shares held in the relevant class of Shares immediately following the completion of the Global Offering[1] Number	Percentage (approx.)	Shares held in the total share capital of the Company immediately following the completion of the Global Offering[1] Number	Percentage (approx.)
Greenland Holdings[21]	Interest of a controlled corporation	Unlisted Shares	100,000,000 Shares (L)	10.00%	100,000,000 Shares (L)	11.11%	100,000,000 Shares (L)	7.50%
	Interest of a controlled corporation	H Shares	100,000,000 Shares (L)	10.00%	100,000,000 Shares (L)	23.08%	100,000,000 Shares (L)	7.50%
Gongqingcheng Investment	Beneficial owner	Unlisted Shares	80,000,000 Shares (L)	8.00%	80,000,000 Shares (L)	8.89%	80,000,000 Shares (L)	6.00%
Gongqingcheng Yagao Investment Management Co., Ltd.[22]	Interest of a controlled corporation	Unlisted Shares	80,000,000 Shares (L)	8.00%	80,000,000 Shares (L)	8.89%	80,000,000 Shares (L)	6.00%
Mr. Pan Zhiyong[23]	Interest of a controlled corporation	Unlisted Shares	80,000,000 Shares (L)	8.00%	80,000,000 Shares (L)	8.89%	80,000,000 Shares (L)	6.00%

Notes:

(1) The letter "L" denotes the person's long position in our Shares.

(2) Zhongshan A-Living is wholly-owned by Deluxe Star and Deluxe Star is deemed under the SFO to be interested in the Shares held by Zhongshan A-Living.

(3) Deluxe Star is wholly-owned by Makel International and Makel International is deemed under the SFO to be interested in the Shares held by Deluxe Star.

(4) Makel International is wholly-owned by Genesis Global and Genesis Global is deemed under the SFO to be interested in the Shares held by Makel International.

(5) Genesis Global is wholly-owned by Eastern Supreme and Eastern Supreme is deemed under the SFO to be interested in the Shares held by Genesis Global.

(6) Eastern Supreme is wholly-owned by Agile Holdings and Agile Holdings is deemed under the SFO to be interested in the Shares held by Eastern Supreme.

(7) Agile Holdings is owned as to 62.63% by Chen's Family Trust, 0.36% by Brilliant Hero Capital Limited and Famous Tone Investments Limited, 0.35% by Supreme Elite Holdings Limited, 0.24% by Star Noble Global Limited, 0.07% by Dragon Treasure Global Limited, 0.40% by Renowned Idea Investments Limited, 0.20% by Mr. Chan Cheuk Hei and his spouse Ms. Lu Yanping, 0.17% by Mr. Chan Cheuk Nam and his spouse Ms. Chan Siu Na and 35.58% by other shareholders.

(8) Full Choice Investments Limited is the trustee of Chen's Family Trust, therefore, Full Choice Investments Limited is deemed under the SFO to be interested in the Shares held by Chen's Family Trust.

(9) Top Coast Investment Limited is the settlor of Chen's Family Trust, therefore, Top Coast Investment Limited is deemed under the SFO to be interested in the Shares held by Chen's Family Trust.

(10) Each of Mr. Chen Zhuo Lin, Mr. Chan Cheuk Yin, Ms. Luk Sin Fong, Fion, Mr. Chan Cheuk Hung, Mr. Chan Cheuk Hei and Mr. Chan Cheuk Nam is the beneficiary of Chen's Family Trust, therefore, Mr. Chen Zhuo Lin, Mr. Chan Cheuk Yin, Ms. Luk Sin Fong, Fion, Mr. Chan Cheuk Hung, Mr. Chan Cheuk Hei and Mr. Chan Cheuk Nam are deemed under the SFO to be interested in the Shares held by Chen's Family Trust.

(11) Brilliant Hero Capital Limited and Famous Tone Investments Limited are jointly controlled by Mr. Chen Zhuo Lin and Ms. Luk Sin Fong, Fion. Mr. Chen Zhuo Lin and Ms. Luk Sin Fong, Fion are deemed under the SFO to be interested in the Shares held by Brilliant Hero Capital Limited and Famous Tone Investments Limited.

(12) Supreme Elite Holdings Limited, Star Noble Global Limited and Dragon Treasure Global Limited are wholly-owned by Mr. Chen Zhuo Lin and Mr. Chen Zhuo Lin is deemed under the SFO to be interested in the Shares held by Supreme Elite Holdings Limited, Star Noble Global Limited and Dragon Treasure Global Limited.

(13) Renowned Idea Investments Limited is wholly-owned by Mr. Chan Cheuk Yin, and Mr. Chan Cheuk Yin is deemed under the SFO to be interested in the Shares held by Renowned Idea Investments Limited.

(14) Unlisted shares include domestic shares and unlisted foreign shares.

(15) By virtue of the SFO, Ms. Zheng Huiqiong is deemed to be interested in the Shares held by her spouse, Mr. Chan Cheuk Yin.

(16) By virtue of the SFO, Ms. Lu Liqing is deemed to be interested in the Shares held by her spouse, Mr. Chan Cheuk Hung.

(17) By virtue of the SFO, Ms. Lu Yanping is deemed to be interested in the Shares held by her spouse, Mr. Chan Cheuk Hei.

(18) By virtue of the SFO, Ms. Chan Siu Na is deemed to be interested in the Shares held by her spouse, Mr. Chan Cheuk Nam.

(19) Ningbo Lvjin and Greenland Overseas are wholly-owned by Greenland Financial Holdings Group Co., Ltd., and Greenland Financial Investment Holdings Group Co., Ltd. is deemed under the SFO to be interested in the Shares held by Ningbo Lvjin and Greenland Overseas.

(20) Greenland Financial Holdings Group Co., Ltd. is wholly-owned by Greenland Holding Group and Greenland Holding Group is deemed to be interested in the Shares held by Greenland Financial Holdings Group Co., Ltd.

(21) Greenland Holding Group is wholly-owned by Greenland Holdings, and Greenland Holdings is deemed under the SFO to be interested in the Shares held by Greenland Holding Group.

(22) Gongqingcheng Yagao Investment Management Co., Ltd. is a general partner of and has full control over Gongqingcheng Investment. Gongqingcheng Yagao Investment Management Co., Ltd. is deemed to be interested in the Shares held by Gongqingcheng Investment.

(23) Gongqingcheng Yagao Investment Management Co., Ltd. is wholly-owned by Mr. Pan Zhiyong, and Mr. Pan Zhiyong is a senior management member of Agile Holdings. Mr. Pan Zhiyong is deemed under the SFO to be interested in the Shares held by Gongqingcheng Yagao Investment Management Co., Ltd.

Except as disclosed in this prospectus, our Directors are not aware of any person will, immediately prior to and following the completion of the Global Offering (assuming the Over-allotment Option is not exercised), have interests or short positions in any Shares or underlying Shares, which would fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly interested in 10% or more of the issued voting shares of our Company. Our Directors are not aware of any arrangement which may at a subsequent date result in a change of control of our Company.

You should read the following discussion and analysis in conjunction with our consolidated financial information set forth in the Accountant's Report included as Appendix I to this prospectus. Our consolidated financial information has been prepared in accordance with HKFRS.

The following discussion and analysis contain certain forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on assumptions and analysis made by us in light of our experiences and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual outcome and developments will meet our expectations and predictions depends on a number of risks and uncertainties over which we do not have control. See "Risk Factors" and "Forward-looking Statements."

OVERVIEW

We are a reputable property management service provider in China focusing on mid- to high-end properties. We offer a comprehensive portfolio of services. In June 2017, we acquired Greenland Property Service, and, in August 2017, brought in Greenland Holdings as a strategic shareholder. Supported by Agile Group and Greenland Holdings, two industry leaders in property development, we operate under the two renowned brands, "雅居樂物業 (Agile Property Management)" and "綠地物業 (Greenland Property Services)." Our business covers a wide range of properties and provides customers with access to tailored quality services through a variety of channels, including our one-stop service platform. As of September 30, 2017, we provided property management services in 65 cities in China with a total GFA under management of over 76.2 million sq.m., and we served more than one million property owners and residents.

Our three business lines, namely, property management services, value-added services to non-property owners and value-added services to property owners, form an integrated service spectrum covering the entire value chain of property management.

- *Property management services* — We provide a wide range of property management services to property developers, property owners and residents and other property management companies, including, among others, security, cleaning, greening and gardening, and repairs and maintenance services, with a focus on mid- to high-end residential properties (including vacation properties) and non-residential properties (including commercial properties, office buildings and multi-purpose complexes). We also provide consultancy services to local property management companies. We charge property management fees for property management services primarily on a lump sum basis, with a very small portion on a commission basis.

- *Value-added services to non-property owners* — We offer non-property owners (mainly property developers) a wide range of value-added services. For example, we provide sales assistance services (including visitor reception, display unit cleaning, security and maintenance, preliminary planning and design consultancy services) as well as advertising, property agency and home inspection services.

- *Value-added services to property owners* — we divide our value-added services to property owners into two categories, namely, resident services and property value management services. Our resident services include housekeeping, housing and shop brokerage, turnkey furnishing, smart home services, community travel agency and other bespoke professional services, leveraging our offline property management services and online integrated one-stop service platform. Our property value management services focus on preserving and increasing the value of property owners' assets, such as parking space sale and short-term and long-term residential leases.

As a result of our efficient operation and quality services, our business grew steadily during the Track Record Period. In 2014, 2015 and 2016, our revenue was RMB826.1 million, RMB934.4 million and RMB1,244.7 million, respectively, representing a CAGR of 22.7%. For the nine months ended September 30, 2017, our revenue was RMB1,168.9 million, representing an increase of 34.1% as compared with the same period of 2016. In 2014, 2015 and 2016, our net profit was RMB46.7 million, RMB72.0 million and RMB169.0 million, respectively, representing a CAGR of 90.2%. For the nine months ended September 30, 2017, our net profit was RMB201.0 million, representing an increase of 57.5% as compared with the same period of 2016.

BASIS OF PRESENTATION

The historical financial information of our Group has been prepared in accordance with HKFRS. The historical financial information has been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying our Group's accounting policies. The areas involving a higher degree of judgment or complexity, or the areas where assumptions and estimates are significant to the consolidated financial statements are discussed in detail below.

ACQUISITION OF GREENLAND PROPERTY

On June 30, 2017 (the "**Acquisition Date**"), we completed the acquisition of 100% of the equity interests of Greenland Property Services. The total consideration for the acquisition is RMB1,000.0 million. See "History, Reorganization and Corporate Structure—Reorganization—Acquisition of the equity interest in Greenland Property Services." As a result, Greenland Property Services was consolidated from the Acquisition Date. The consideration for the acquisition of Greenland Property Services was determined after arm's-length negotiations taking into account the prospects of the business cooperation between Greenland Holdings and our Company. For the purpose of assessing the goodwill and intangible assets associated with the acquired business as disclosed in the financial statements as of the Acquisition Date, a valuation of Greenland Property Services was performed by the independent qualified valuer, ValueLink using the discounted cash flow method based on the following assumptions:

GFA under management

All GFA under management is assumed to be for residential properties. The then existing GFA under management was 1.52 million sq.m. as of the Acquisition Date. The planned increase in GFA under management as of December 31, 2017 is 1.75 million sq.m., which was the GFA expected to be contracted in the second half of 2017 with Greenland Holdings. From 2018 to 2022, the expected annual increase in GFA under management equals the sum of (i) 7.0 million sq.m. which Greenland Holdings shall endeavor to deliver, (ii) 3 million sq.m., which Greenland Holdings will give us the priority when selecting its future property management service provider and (iii) organic growth based on the accumulated GFA under management and an annual growth rate of 17% (except for the 61% growth in 2018 due to the relatively small GFA as of December 31, 2017). According to CIA, the average GFA under management of the Top 100 Property Management Companies increased to 27.3 million sq.m. as of December 31, 2016, representing an annual increase of 15.4% compared to that as of December 31, 2015. The annual growth is assumed to gradually slow down in 2023 and 2024 from 20% to 7% and a 3% long term growth rate beyond 2024 is applied.

Average management fees

Based on industry data, the average property management fee for residential properties is assumed to be RMB23 per sq.m. per annum, which is expected to increase at a rate of 3% per annum based on the expected long term inflation from 2018 onward. According to CIA, the average residential property management fee charged by the Top 100 Property Management Companies in 2016 was RMB 27.72 per sq.m. per annum.

Gross margin

Based on historical performance, our management expects that the gross margin will be maintained at approximately 22%.

Discount rate

A discount rate is used to convert the annual free cash flow into present value, i.e. the company's weighted average cost of capital ("WACC"). The assumed discount rate (after tax) of 15% used by ValueLink is based on the average WACC of certain peers in China's property management industry.

As of the Acquisition Date, we recognized RMB919.0 million as goodwill. As of the same date, we recognized, separate from goodwill, the identifiable assets acquired and the liabilities assumed in Greenland Property Services at fair value, including our right to use Greenland Holdings' trademarks and customer relationships in the amount of RMB18.0 million and RMB77.0 million, respectively, as intangible assets. Trademarks and customer relationships have a finite useful life and are carried at cost less accumulated amortization. Our trade receivables also increased by RMB92.7 million as of June 30, 2017 as a result of the acquisition of Greenland Property Services, before allowance for impairment. The fair value of the goodwill, other intangible assets and trade receivables may decrease and we may need to recognize impairments, which may have a material adverse effect on our financial position and results of operations.

The independent qualified valuer, ValueLink, obtained its asset valuer status issued by the Beijing Municipal Bureau of Finance in May 2016. ValueLink provides assets valuation, financial advisory, due diligence, financing and M&A services across diverse industries. The valuation services of ValueLink cover statutory purposes, property valuation, transaction support and financial reporting support, among others. ValueLink's clients mainly include listed companies and listing candidates in China, Hong Kong and the United States, as well as large private enterprises, state-owned enterprises and multinationals.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations and financial position have been and will continue to be affected by a number of factors, including those set out in the section entitled "Risk Factors" in this prospectus and those discussed below:

Business Mix

During the Track Record Period, our business and results of operations were affected by our business mix. Our profit margins vary across our three business lines, namely, property management services, value-added services to non-property owners and value-added services to property owners. Any change in the structure of revenue contribution from our three business lines or change in profit margin of any business line may have a corresponding impact on our overall profit margin.

The table below sets forth the revenue contribution by each business line for the periods indicated.

	For the year ended December 31,						For the nine months ended September 30,			
	2014		2015		2016		2016		2017	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
							(Unaudited)			
Property management services	595,030	72.0	690,729	73.9	977,863	78.6	675,381	77.5	898,192	76.8
Value-added services to non-property owners	188,819	22.9	185,987	19.9	212,247	17.0	149,997	17.2	206,028	17.6
Value-added services to property owners	42,250	5.1	57,696	6.2	54,625	4.4	46,432	5.3	64,648	5.6
Total	**826,099**	**100.0**	**934,412**	**100.0**	**1,244,735**	**100.0**	**871,810**	**100.0**	**1,168,868**	**100.0**

The table below sets forth the gross profit margin by business line for the periods indicated.

	For the year ended December 31,			For the nine months ended September 30,	
	2014	2015	2016	2016	2017
Property management services	11.0%	15.1%	24.9%	24.8%	32.2%
Value-added services to non-property owners	12.0%	15.7%	24.8%	22.6%	32.4%
Value-added services to property owners	25.3%	26.8%	28.1%	29.6%	41.8%
Overall	12.0%	15.9%	25.0%	24.7%	32.8%

In general, the gross profit margin for our value-added services to property owners are higher than that for our property management services and value-added services to non-property owners. The relatively high gross profit margin for our value-added services to property owners in the nine months ended September 30, 2017 was primarily attributable to a further increase in the revenue from our value-added services to property owners reflecting our continuous efforts to diversify our services. For example, we increased group purchase and upgraded the parking lot gateway systems in the second half of 2017. The growth in the gross profit margin of our property management services during the Track Record Period was primarily attributable to (i) a decrease in our labor cost as a result of an increase in subcontracting of our cleaning, maintenance and repairs, greening and gardening services, (ii) our successful labor force optimization starting from the second half of 2015, (iii) economies of scale, and (iv) the general increase in average property management fee charged for the residential properties we managed during the Track Record Period. For more details regarding the fluctuation in our gross margins during the Track Record Period, please refer to "—Results of Operations" below.

Ability to Mitigate the Impact of Rising Labor Costs

Since property management is labor intensive, labor cost constitutes a substantial portion of our cost of sales. During the Track Record Period, our labor costs increased considerably as a result of the expansion of our business and increases in minimum wages and the market price for labor. In 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017, our employee benefit expenses recorded in cost of sales were RMB435.6 million, RMB457.2 million, RMB510.8 million, RMB364.3 million and RMB417.8 million, respectively, accounting for 59.9%, 58.2%, 54.7%, 55.5% and 53.2%, respectively, of our cost of sales. To cope with rising labor cost, we have implemented a number of cost-saving measures, including management digitalization, service professionalization, procedure standardization and operation automation, to reduce our reliance on manual labor. See the section entitled "Business—Property Management Services—Management Digitalization, Service Specialization, Procedure Standardization and Operation Automation" in this prospectus for details. We have also outsourced certain services, such as cleaning, maintenance and repairs, greening and gardening services, to independent service providers while maintaining close supervision of their services to ensure service quality. In 2014, 2015, 2016 and the nine months ended September 30, 2017, we incurred sub-contracting cost of RMB106.4 million, RMB138.1 million, RMB200.8 million and RMB266.2 million, respectively, representing 14.6%, 17.6%, 21.5% and 33.9%, respectively, of our cost of sales.

Brand Positioning and Pricing Ability

As we primarily focus on mid- to high-end properties, the average price for our services is higher than the market average. According to CIA, our average property management fee for residential properties in 2016 was approximately RMB2.94/sq.m./month, higher than the industry average property management fee for urban residential properties of RMB2.31/sq.m./month. We have leveraged the market recognition of Agile Group during the Track Record Period and have been operating under dual-brands, "雅居樂物業 (Agile Property Management)" and "綠地物業 (Greenland Property Services)," since our acquisition of Greenland Property Services in June 2017, which are two brands representing high-end properties and high-quality services. However, as we operate in a highly competitive and fragmented industry, our ability to maintain and increase the fee rates we charge for our services may be negatively affected by our competitors who charge lower prices. To maintain our service prices, we make efforts to diversify our services by offering more value-added services and further improving our service quality.

We generally price our services by taking into account a number of factors, including (i) the types and locations of the properties, (ii) our budgeted expenses, (iii) our target profit, (iv) the profiles of property owners and residents, (v) the scope and quality of our services, and (vi) local government's policy and pricing guidance. We have to achieve a balance between pricing our projects sufficiently competitively while maintaining our image as a quality property management service provider for mid- to high-end properties and ensuring an attractive profit margin. Failure to balance various factors in determining our pricing could materially and adversely affect our financial condition and results of operations.

For illustration purposes only, we set out below a sensitivity analysis of our profit for the year/period with reference to the fluctuation of average property management fees during the Track Record Period. The following table demonstrates the impact of the hypothetical decrease in average property management fees on our profit, while all other factors remain unchanged:

	For the year ended December 31,			For the nine months ended September 30,	
	2014	2015	2016	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Total profit for the year/period	46,663	72,031	169,046	127,623	200,966
Assuming 5% decrease in our average property management fees					
Impact on revenue from our property management business	(29,752)	(34,536)	(48,893)	(33,769)	(44,910)
Impact on profit for the year/period	(22,314)	(25,902)	(36,670)	(25,327)	(33,682)
Assuming 10% decrease in our average property management fees					
Impact on revenue from our property management business	(59,503)	(69,073)	(97,786)	(67,538)	(89,819)
Impact on profit for the year/period	(44,627)	(51,805)	(73,340)	(50,654)	(67,364)

GFA Under Management

During the Track Record Period, we generated a majority of our revenue from our property management services, which contributed 72.0%, 73.9%, 78.6%, 77.5% and 76.8%, respectively, to our total revenue in 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017. Accordingly, our business and results of operations depend on our ability to maintain and increase our GFA under management, which in turn is affected by our ability to renew existing service contracts and secure new service contracts. During the Track Record Period, we experienced a steady growth in our total GFA under management, which was 24.4 million sq.m., 35.0 million sq.m., 50.1 million sq.m. and 76.2 million sq.m., respectively, as of December 31, 2014, 2015 and 2016 and September 30, 2017.

During the Track Record Period, a significant portion of properties we managed were developed by Agile Group. As of December 31, 2014, 2015 and 2016 and September 30, 2017, properties developed by Agile Group accounted for 100.0%, 84.2%, 68.5% and 54.4%, respectively, of our total GFA under management. We have taken continuous efforts to expand our property management services to also cover properties developed by independent third party property developers, with a view to building additional revenue sources and diversifying our property management portfolio. As of December 31, 2014, 2015 and 2016 and September 30, 2017, the percentage of the GFA under management of the properties developed by third party property developers to the total GFA under management increased from nil as of December 31, 2014 to 15.8% as of December 31, 2015, to 31.5% as of December 31, 2016, and further to 45.6% as of September 30, 2017.

Competition

Our industry is highly competitive and fragmented, and we compete with other property management services providers on a number of aspects, including business scale, brand recognition, profitability, financial resources and adequacy of financing, price, diversity of services and service quality. See the sections entitled "Business—Competition" and "Industry Overview—the Property Management Industry in the PRC—Competition" in this prospectus. We were ranked 12th among the property management companies in China in terms of brand value and overall strength in 2017 by China Real Estate Association and China Real Estate Appraisal Center. We were ranked 13th out of the Top 100 Property Management Companies in terms of overall strength in 2017, according to CIA. Our ability to compete effectively with our competitors and maintain or improve our market position depends on our ability to solidify our competitive strengths. If we fail to compete and expand our GFA under management, we may lose market position in our principal business lines and our revenue and profitability may decrease.

CERTAIN SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES AND JUDGMENTS

Significant accounting policies

We have identified certain accounting policies that are significant to the preparation of our financial statements. Our significant accounting policies, which are important for an understanding of our financial position and results of operations, are set forth in details in Note 3 of the Accountant's Report in Appendix I to this prospectus. Our significant accounting policies include, among others:

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. We recognize revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of our activities, as described below. We base estimates of return on historical results, taking into consideration the type of customers, the type of transactions and the specifics of each arrangement.

Property management services and value-added services

Revenue from property management services (including property management services under commission basis or lump sum basis) and value-added services (including pre-delivery services, household assistance services, sales services and other services) is recognized when services are rendered.

For property management services income from properties managed under a lump sum basis, where we act as principal, we are entitle to revenue at the value of property management services fee received or receivable by the properties. For property management service income from properties managed under a commission basis, where we act as an agent of the property owner, we are entitled to revenue at a pre-determined percentage of the property management fee received or receivable by the properties.

Sale of parking lots and shops

Revenue from sale of parking lots and shops is recognized when we have delivered the relevant parking lots and shops to the purchaser and the collectability of related consideration is reasonably assured.

Interest income

Interest income is recognized using the effective interest method.

Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	20-60 years
Transportation equipment	4-10 years
Office equipment	5-10 years
Machinery	10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within "other gains/(losses) — net" in the consolidated statements of comprehensive income.

Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less allowance for impairment.

Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identified net assets acquired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the cash-generating unit containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognized immediately as an expense and will not be subsequently reversed.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statements of profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless we have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Critical accounting estimates and judgments

Our Group make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Estimated impairment of goodwill

We will test annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 3.6 of the Accountant's Report in Appendix I to this prospectus. The recoverable amount of the cash generation units has been determined based on the value-in-use calculations. These calculations require the use of estimates. We will perform a comprehensive impairment test on goodwill arising from the acquisition of Greenland Property Services at the year end of 2017.

Allowance on doubtful receivables

We make allowances on doubtful receivables based on an assessment of the recoverability of the receivables. Allowances are provided on receivable where events or changes in circumstances indicate that the receivable may not be collectible. The identification of doubtful receivables requires the use of judgment and estimates.

To determine whether there is any objective evidence of doubtful receivables, we take into consideration a number of indicators, including, among others, subsequent settlement status, historical write-off experience and management fee collection rate of the residents in estimating the future cash flows from the receivables.

Where the expectation is different from the original estimate, such difference will impact the carrying amount of trade and other receivables and doubtful debt expenses in the periods in which such estimate has been changed.

Current and deferred income tax

We are subject to corporate income taxes in the PRC. Judgement is required in determining the amount of the provision for taxation and the timing of payment of the related taxations. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognized when our management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilized. The outcome of their actual utilization may be different.

DESCRIPTION OF CERTAIN CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME ITEMS

The following table sets forth a summary of our consolidated statements of comprehensive income for the periods indicated. Our historical results presented below are not necessarily indicative of the results that may be expected for any future period.

	For the year ended December 31,			For the nine months ended September 30,	
	2014	2015	2016	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Revenue	826,099	934,412	1,244,735	871,810	1,168,868
Cost of sales	(727,279)	(785,597)	(933,088)	(656,547)	(785,699)
Gross profit	98,820	148,815	311,647	215,263	383,169
Selling and marketing expenses	(6,830)	(8,810)	(19,057)	(10,318)	(21,664)
Administrative expenses	(31,694)	(51,681)	(78,692)	(46,004)	(103,152)
Other income	3,276	2,088	4,802	3,303	8,167
Other expenses	(471)	(2,258)	(1,331)	(455)	(477)
Other (losses)/gains	(260)	(327)	(219)	(17)	12
Operating profit	62,841	87,827	217,150	161,772	266,055
Finance income — net	1,010	11,581	14,606	11,601	4,279
Profit before income tax	63,851	99,408	231,756	173,373	270,334
Income tax expenses	(17,188)	(27,377)	(62,710)	(45,750)	(69,368)
Profit for the year/period	46,663	72,031	169,046	127,623	200,966
Profit attributable to:					
— Owners of the Company	41,604	64,966	160,670	121,891	190,119
— Non-controlling interests	5,059	7,065	8,376	5,732	10,847
	46,663	72,031	169,046	127,623	200,966

Revenue

During the Track Record Period, we derived our revenue mainly from the following three business lines:

(i) property management services, primarily including security, cleaning, greening, gardening, repairs and maintenance and consultancy services, which contributed 72.0%, 73.9%, 78.6%, 77.5% and 76.8%, respectively, of our total revenue in 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017;

(ii) value-added services to non-property owners, primarily including sales assistance, advertising, property agency and home inspection services, which contributed 22.9%, 19.9%, 17.0%, 17.2% and 17.6%, respectively, of our total revenue in 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017; and

(iii) value-added services to property owners, primarily including resident services and property value management services, which contributed 5.1%, 6.2%, 4.4%, 5.3%

and 5.6%, respectively, to our total revenue in 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017.

The following table sets forth a breakdown of our revenue by business line for the periods indicated.

	For the year ended December 31,						For the nine months ended September 30,			
	2014		2015		2016		2016		2017	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
							(Unaudited)			
Property management services	595,030	72.0	690,729	73.9	977,863	78.6	675,381	77.5	898,192	76.8
Value-added services to non-property owners	188,819	22.9	185,987	19.9	212,247	17.0	149,997	17.2	206,028	17.6
Value-added services to property owners	42,250	5.1	57,696	6.2	54,625	4.4	46,432	5.3	64,648	5.6
Total	**826,099**	**100.0**	**934,412**	**100.0**	**1,244,735**	**100.0**	**871,810**	**100.0**	**1,168,868**	**100.0**

Revenue from property management services

Revenue from property management services generally increased during the Track Record Period, primarily driven by the increase in the total GFA under management as a result of our business expansion. Our total GFA under management as of December 31, 2014, 2015 and 2016 was approximately 24.4 million sq.m., 35.0 million sq.m. and 50.1 million sq.m. On June 30, 2017, we acquired Greenland Property Services, through which, as of September 30, 2017, a GFA under management of 2.0 million sq.m. was added to our existing GFA under management, which increased our total GFA under management from 74.2 million sq.m. to 76.2 million sq.m. as of September 30, 2017.

Under PRC law, property management fees may be charged on a lump sum basis or on a commission basis. We believe the "lump sum" model is the prevailing market practice in China which provides more incentive for property management companies to implement cost-saving initiatives and improve operational efficiency. During the Track Record Period, we charged property management fees on a lump sum basis for most of the properties we managed. We expect property management fees charged on a lump sum basis to continue to account for substantially all of our revenue from property management services in the foreseeable future.

In addition, we record consultancy fees derived from consultancy services provided to regional property management companies. See "Business—Property Management Services—Scope of Services" for more details.

The following table sets forth our GFA under management as of the dates, and revenue from property management services by fee model for the periods indicated.

	As of or for the year ended December 31,									As of or for the nine months ended September 30,					
	2014			2015			2016			2016			2017		
	GFA (sq.m.)	Revenue (RMB)	Revenue %	GFA (sq.m.)	Revenue (RMB)	Revenue %	GFA (sq.m.)	Revenue (RMB)	Revenue %	GFA (sq.m.)	Revenue (RMB) (Unaudited)	Revenue %	GFA (sq.m.)	Revenue (RMB)	Revenue %
	(in thousands, except for percentages)														
Lump sum basis	20,519	585,701	98.4	24,674	678,119	98.1	33,010	956,157	97.8	32,051	660,181	97.7	44,174	877,591	97.7
Commission basis	3,908	9,329	1.6	7,251	12,207	1.8	9,708	17,299	1.8	6,868	12,797	1.9	8,878	13,779	1.5
Consultancy fees	—	—	—	3,122	403	0.1	7,336	4,407	0.4	6,446	2,403	0.4	23,132	6,822	0.8
Total	**24,427**	**595,030**	**100.0**	**35,047**	**690,729**	**100.0**	**50,055**	**977,863**	**100.0**	**45,365**	**675,381**	**100.0**	**76,184**	**898,192**	**100.0**

During the Track Record Period, we derived a majority of our revenue from management services for properties developed by Agile Group, which accounted for 100.0%, 99.9%, 81.7% and 80.1%, respectively, of our total revenue from property management services in 2014, 2015, 2016 and the nine months ended September 30, 2017. The general decrease in percentage of our total revenue from property management services for properties developed by Agile Group during the Track Record Period was primarily due to our continuous effort to strategically expand our property management services to cover properties developed by property developers other than Agile Group, including independent third-party property developers and our acquisition of Greenland Property Services. For the three months ended September 30, 2017, we had revenue of RMB17.4 million generated from properties developed by Greenland Holdings with a total GFA under management of approximately 1.9 million sq.m. The revenue generated from properties developed by independent third-party property developers did not increase in line with the increase in the relevant GFA under management during the Track Record Period, primarily because a majority of the revenue generated from such properties were consultancy fees in relation to the provision of consultancy services to them. Such consultancy fees were generally much lower than the property management fee we typically charged. In 2015, 2016 and the nine months ended September 30, 2017, the revenue from consultancy services to independent third-party property developers was RMB0.4 million, RMB4.4 million and RMB6.8 million, respectively; and the GFA under management in relation to the consultancy services was 0.4 million sq.m., 7.3 million sq.m. and 23.1 million sq.m., respectively.

The following table sets forth our GFA under management as of the dates, and revenue generated from properties developed by property developer for the periods indicated.

	As of or for the year ended December 31,									As of or for the nine months ended September 30,					
	2014			2015			2016			2016			2017		
	GFA	Revenue		GFA	Revenue		GFA	Revenue		GFA	Revenue		GFA	Revenue	
	(sq.m.)	(RMB)	%	(sq.m.)	(RMB)	%	(sq.m.)	(RMB)	%	(sq.m.)	(RMB) (Unaudited)	%	(sq.m.)	(RMB)	%
	(in thousands, except for percentages)														
Agile Group	24,427	595,030	100.0	29,527	690,334	99.9	34,280	798,862	81.7	33,783	553,044	81.9	41,411	719,673	80.1
Greenland Holdings	—	—	—	—	—	—	—	—	—	—	—	—	1,893	17,250	1.9
Third-party property developers[(1)]	—	—	—	5,520	395	0.1	15,775	179,001	18.3	11,582	122,337	18.1	32,880	161,269	18.0
Total	**24,427**	**595,030**	**100.0**	**35,047**	**690,729**	**100.0**	**50,055**	**977,863**	**100.0**	**45,365**	**675,381**	**100.0**	**76,184**	**898,192**	**100.0**

Note:

(1) Refer to property developers other than Agile Group and Greenland Holdings.

During the Track Record Period, a majority of our revenue from property management services was derived from residential properties (including vacation properties), which accounted for 98.1%, 97.5%, 82.5% and 77.9%, respectively, of our total revenue from property management services in 2014, 2015, 2016 and the nine months ended September 30, 2017. The general decrease in percentage of revenue from residential properties management services to the total revenue from our property management services during the Track Record Period primarily reflected our continuous efforts to diversify the types of properties we manage, as we expanded our management portfolio to cover non-residential properties, which was partially offset by the general increase in the average property management fee we charged for the residential properties we managed during the Track Record Period.

The following table sets forth a breakdown of our GFA under management as of the dates, and our revenue generated from by type of properties for the periods indicated.

	As of or for the year ended December 31,									As of or for the nine months ended September 30,					
	2014			2015			2016			2016			2017		
	GFA	Revenue		GFA	Revenue		GFA	Revenue		GFA	Revenue		GFA	Revenue	
	(sq.m.)	RMB	%	(sq.m.)	RMB	%	(sq.m.)	RMB	%	(sq.m.)	RMB (Unaudited)	%	(sq.m.)	RMB	%
	(in thousands, except for percentages)														
Residential properties	24,282	583,786	98.1	34,701	673,744	97.5	48,783	806,655	82.5	44,238	524,788	77.7	56,505	699,957	77.9
Non-residential properties	145	11,244	1.9	346	16,985	2.5	1,272	171,208	17.5	1,127	150,593	22.3	19,679	198,235	22.1
Total	**24,427**	**595,030**	**100.0**	**35,047**	**690,729**	**100.0**	**50,055**	**977,863**	**100.0**	**45,365**	**675,381**	**100.0**	**76,184**	**898,192**	**100.0**

Revenue from value-added services to non-property owners

We provide value-added services to non-property owners (mainly property developers) primarily in the form of sales assistance services. We also provide advertising, property agency and home inspection services. The following table sets forth the components of our revenue from value-added services to non-property owners for the periods indicated.

	For the year ended December 31,						For the nine months ended September 30,			
	2014		2015		2016		2016		2017	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000	%
Sales assistance services and preliminary consulting services	188,819	100.0	185,987	100.0	211,703	99.7	149,959	100.0	190,097	92.3
Others(1)	—	—	—	—	544	0.3	38	—	15,931	7.7
Total	**188,819**	**100.0**	**185,987**	**100.0**	**212,247**	**100.0**	**149,997**	**100.0**	**206,028**	**100.0**

Note:

(1) Others mainly include revenue from advertising, property agency and home inspection services.

Revenue from value-added services to property owners

We provide two categories of value-added services to property owners and other parties: (i) resident services, such as housekeeping, housing and shop brokerage, turnkey furnishing, smart home services and community travel agency services; and (ii) property value management services, such as parking space sales and residential property leases.

Revenue by geographic region

To facilitate management of our property management network, we divide our geographic coverage into four major regions in China, specifically: (i) Guangzhou region, mainly including Guangzhou, Foshan, Shunde, Shenzhen, Heyuan, Huizhou and Nanning; (ii) Zhongshan region, mainly including the urban area of Zhongshan, Sanxiang and Tanzhou; (iii) Hainan and Yunnan region, mainly including Sanya, Haikou, Ruili, Xishuangbanna, Tengchong, Wenchang and Lingshui; and (iv) others, mainly including Beijing, Shanghai, Yangzhou, Wuxi, Nantong, Nanjing, Changzhou, Shenyang, Chengdu, Chongqing and Xi'an. On June 30, 2017, we acquired Greenland Property Services and expanded our geographical coverage to the new markets of Jinan, Shijiazhuang, Hangzhou, Wuhan and Dongguan, in addition to strengthening our presence in the existing markets of Shanghai, Beijing and Guangdong.

The following table sets forth our GFA under management as of the dates, and revenue generated from each region for the periods indicated.

	As of or for the year ended December 31,									As of or for the nine months ended September 30,					
	2014			2015			2016			2016			2017		
	GFA (sq.m.)	Revenue (RMB)	Revenue %	GFA (sq.m.)	Revenue (RMB)	Revenue %	GFA (sq.m.)	Revenue (RMB)	Revenue %	GFA (sq.m.)	Revenue (RMB) (Unaudited)	Revenue %	GFA (sq.m.)	Revenue (RMB)	Revenue %
	(in thousands, except for percentages)														
Guangzhou region	10,436	287,032	34.7	13,278	303,857	32.5	17,370	500,362	40.2	17,358	360,527	41.4	20,221	474,692	40.6
Zhongshan region	8,437	286,804	34.7	13,994	302,183	32.3	16,486	324,453	26.1	13,927	234,966	27.0	16,259	273,497	23.4
Hainan and Yunnan region	2,261	129,509	15.7	3,274	187,716	20.1	4,832	199,851	16.0	4,501	134,926	15.5	5,046	187,859	16.1
Others	3,293	122,754	14.9	4,501	140,656	15.1	11,366	220,069	17.7	9,580	141,391	16.1	34,658	232,820	19.9
Total	**24,427**	**826,099**	**100.0**	**35,047**	**934,412**	**100.0**	**50,055**	**1,244,735**	**100.0**	**45,365**	**871,810**	**100.0**	**76,184**	**1,168,868**	**100.0**

Cost of sales

Our cost of sales mainly consists of (i) employee benefit expenses; (ii) cleaning expenses, maintenance costs and greening and gardening expenses, which consisted of both costs and we directly incurred and subcontracting costs; (iii) utilities; (iv) business taxes and other levies; (v) cost of consumables; and (vi) others, which primarily include upgrade and maintenance cost of our information technologies for our business operations. The following table sets forth the components of our cost of sales for the periods indicated.

	For the year ended December 31,						For the nine months ended September 30,			
	2014		2015		2016		2016		2017	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000	%
Employee benefit expenses	435,624	59.9	457,151	58.2	510,797	54.7	364,285	55.5	417,836	53.2
Utilities	61,031	8.4	50,360	6.4	83,853	9.0	57,116	8.7	64,138	8.2
Cleaning expenses	54,014	7.4	65,207	8.3	108,501	11.6	74,887	11.4	99,531	12.7
Business taxes and other levies(1)	45,360	6.2	51,445	6.5	23,572	2.5	23,107	3.5	7,594	1.0
Maintenance costs	29,877	4.1	39,199	5.0	61,350	6.6	40,930	6.2	54,972	7.0
Cost of consumables(2)	27,549	3.8	33,328	4.2	31,647	3.4	18,499	2.8	34,669	4.4
Greening and gardening expenses	26,526	3.6	29,395	3.7	35,900	3.8	25,420	3.9	34,200	4.4
Operating lease payments(3)	13,046	1.8	15,386	2.0	9,529	1.0	5,452	0.8	7,427	0.9
Cost of selling parking lots and shops	4,749	0.7	13,387	1.7	10,011	1.1	6,417	1.0	11,413	1.5
Consulting fees(4)	1,176	0.2	1,248	0.2	27,495	3.0	15,735	2.4	14,961	1.9
Others	28,327	3.9	29,491	3.8	30,433	3.3	24,699	3.8	38,958	4.8
Total	**727,279**	**100.0**	**785,597**	**100.0**	**933,088**	**100.0**	**656,547**	**100.0**	**785,699**	**100.0**

Notes:

(1) China gradually reformed its tax regime for goods and services and replaced business taxes with value added taxes for many industries in the last five years. In May 2016, the final phase of the tax reform was applied to the service sector, pursuant to which our business taxes were replaced by value added taxes. See "Regulatory Overview—Chinese Tax Laws and Regulations—Value-added tax" for more details. Accordingly, we experienced a decline in our business taxes and other levies from the nine months ended September 30, 2016 to the same period in 2017, as such taxes have been replaced by value added tax, which was not included in our cost of sales. This change has offset the overall increases in our cost of sales from 2015 to 2016 and from the nine months ended September 30, 2016 to the nine months ended September 30, 2017, and contributed to the overall increases in our gross profit margins over the same periods.

(2) Cost of consumable includes the cost for personal safety gear, metal hardware, plastic pipes and other non-durable materials used in our operations.

(3) Operating lease payments include our payments for leases on various vehicles.

(4) Consulting fees refer to fees paid in relation with our provision of management services to certain high-end commercial properties.

The following table sets forth our cost of sales by business lines for the periods indicated.

	For the year ended December 31,						For the nine months ended September 30,			
	2014		2015		2016		2016		2017	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000	%
Property management services	529,472	72.8	586,538	74.7	734,119	78.7	507,849	77.4	608,721	77.5
Value-added services to non-property owners	166,232	22.9	156,853	20.0	159,691	17.1	116,024	17.7	139,365	17.7
Value-added services to property owners	31,575	4.3	42,206	5.3	39,278	4.2	32,674	4.9	37,613	4.8
Total	**727,279**	**100.0**	**785,597**	**100.0**	**933,088**	**100.0**	**656,547**	**100.0**	**785,699**	**100.0**

Gross profit and gross profit margin

Our gross profit margin in 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017 was 12.0%, 15.9%, 25.0%, 24.7% and 32.8%, respectively. Our overall gross profit margins are affected by our cost of sales and the average property management fee we charge for our property management services. Our gross profit margin experienced an upward trend during the Track Record Period, primarily reflecting our successful implementation of cost-control measures and, to a lesser extent, an increase in the average property management fee we charged. We have taken various cost saving initiatives to control our costs, including increasing sub-contracting of labor intensive services, optimizing our labor force and centralizing our management of the entire property management network. The average property management fees we charged amounted to RMB2.89 per sq.m./month, RMB2.94 per sq.m./month, RMB2.94 per sq.m./month and RMB2.98 per sq.m./month, respectively, in 2014, 2015, 2016 and the nine months ended September 30, 2017.

The following table sets forth our gross profit and gross profit margin by business line for the periods indicated.

	For the year ended December 31,						For the nine months ended September 30,			
	2014		2015		2016		2016		2017	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000	%
Property management services	65,558	11.0	104,191	15.1	243,744	24.9	167,532	24.8	289,471	32.2
Value-added services to non-property owners	22,587	12.0	29,134	15.7	52,556	24.8	33,973	22.6	66,663	32.4
Value-added services to property owners	10,675	25.3	15,490	26.8	15,347	28.1	13,758	29.6	27,035	41.8
Total	**98,820**	**12.0**	**148,815**	**15.9**	**311,647**	**25.0**	215,263	**24.7**	**383,169**	**32.8**

Property management services

Gross profit margins for our property management services depend on the average fee per sq.m. per month we charge for our property management services and our cost of sales per sq.m. per month for providing such services. The average property management fees we charge on a lump sum basis amounted to approximately RMB2.89 per sq.m./month, RMB2.94 per sq.m./ month, RMB2.94 per sq.m./month and RMB2.98 sq.m./month in 2014, 2015, 2016 and the nine months ended September 30, 2017, respectively. Such average fees are calculated as the sum of the prices and fees per residential GFA specified for each of the property management contract as of the end of each relevant period divided by the total number of the property management contracts. The general increase in our gross profit margin during the Track Record Period for property management services was primarily due to our continuous implementation of cost-effective measures, such as outsourcing of several services, including greening and gardening, cleaning, and maintenance and repair services.

Value-added services to non-property owners

We derived substantially all gross profit from our value-added services to non-property owners from sales assistance services. The gross profit margin for our value-added services to non-property owners generally increased during the Track Record Period, primarily due to our optimization of labor force as a result of improvement in operation efficiency.

Value-added services to property owners

Our value-added services to property owners mainly include resident services and property value management services. The gross profit margin for our value-added services to property owners generally increased during the Track Record Period, primarily due to the economies of scale for our resident services to property owners and residents and our optimization of labor force as a result of improvement in operation efficiency. The relatively high gross profit margin for our value-added services to property owners in the nine months ended September 30, 2017 was primarily attributable to a further increase in revenue from our value-added services to property owners reflecting our continuous efforts to diversify the services, for example, we increased group purchase and upgraded the parking lot gateway system in the second half of 2017.

Selling and marketing expenses

Our selling and marketing expenses mainly consist of advertising expenses and employee benefit expenses for our selling and marketing staff. The relatively high selling and marketing expenses in 2016 and the nine months ended September 30, 2017 was primarily attributable to an increase in advertising expenses and employee benefit expenses incurred in connection with promoting our one-stop service platform which commenced in July 2016. We recorded relatively high "others" in the nine months ended September 30, 2017 as compared to other periods, primarily due to the depreciation and amortization of the computers and other assets of our subsidiary engaged in the operation of our one-stop service platform.

The following table sets forth the components of our selling and marketing expenses for the periods indicated.

	For the year ended December 31,						For the nine months ended September 30,			
	2014		2015		2016		2016		2017	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000	%
Advertising expenses	6,141	89.9	7,947	90.2	12,846	67.4	5,351	51.9	12,210	56.4
Employee benefit expenses	501	7.3	427	4.8	4,671	24.5	3,518	34.1	4,678	21.6
Traveling and entertainment expenses	73	1.1	356	4.0	832	4.4	742	7.2	2,056	9.5
Consultancy service fee	—	—	—	—	44	0.2	44	0.4	232	1.1
Others	115	1.7	80	1.0	664	3.5	663	6.4	2,488	11.4
Total	**6,830**	**100.0**	**8,810**	**100.0**	**19,057**	**100.0**	**10,318**	**100.0**	**21,664**	**100.0**

Administrative expenses

Our administrative expenses mainly consist of (i) employee benefit expenses for our administrative staff; (ii) business taxes and other levies; and (iii) others, which mainly include insurance expenses, system maintenance expenses and brand promotion expenses. The general increase in administrative expenses during the Track Record Period was primarily attributable to the increase in employee benefit expenses, which was primarily due to (i) addition of senior management and other personnel engaging in administrative matters for the companies engaged in the businesses of travel, advertising, property agency and home inspection started in October 2015, June 2016, July 2017 and April 2017, respectively; (ii) establishment of a centralized control center at our Guangzhou headquarters as one of our cost saving and management optimization initiatives; and (iii) a general increase in administrative personnel as a result of our business expansion.

The following table sets forth the components of our administrative expenses for the periods indicated.

	For the year ended December 31,						For the nine months ended September 30,			
	2014		2015		2016		2016		2017	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000	%
Employee benefit expenses	12,850	40.5	29,188	56.5	49,145	62.5	33,318	72.4	71,154	69.0
Business taxes and other levies	8,865	28.0	9,370	18.1	7,237	9.2	4,474	9.7	656	0.6
Traveling and entertainment expenses	903	2.8	2,321	4.5	5,660	7.2	3,160	6.9	7,845	7.6
Utilities	299	0.9	414	0.8	1,199	1.5	528	1.2	1,206	1.2
Consultancy service fee	237	0.7	245	0.5	5,317	6.8	906	2.0	4,064	3.9
Office expenses	149	0.5	486	0.9	1,552	2.0	831	1.8	2,717	2.6
Others	8,391	26.6	9,657	18.7	8,582	10.8	2,787	6.0	15,510	15.1
Total	**31,694**	**100.0**	**51,681**	**100.0**	**78,692**	**100.0**	**46,004**	**100.0**	**103,152**	**100.0**

Other income

Our other income mainly consists of (i) late fee income from outstanding property management fees; (ii) waste recycling income; (iii) investment income from wealth management products; and (iv) others, which mainly includes various forfeited deposits from property owners and residents in relation to our property management services. Our investment income from wealth management products for the nine months ended September 30, 2017 was in relation to our short-term investment in certain principal protected Renminbi-denominated wealth management products that we purchased from Bank of China with an interest rate that is relatively certain and generally above the bank deposit interest rate and a maturity period within six months. See "—Results of Operations—The nine months ended September 30, 2017 compared to the nine months ended September 30, 2016" below.

The table below sets forth the wealth management products we invested in during the Track Record Period and the three months ended December 31, 2017:

	Bank	Product type	Interest accrued from	Maturity date	Coupon rate	Principal amount	Return amount	Status
						(RMB'000)	(RMB'000)	
1	Bank of China	principal protected	April 7, 2017	May 2, 2017	3.30%	200,000	452	Matured
2	Bank of China	principal protected	May 3, 2017	June 6, 2017	3.30%	200,000	615	Matured
3	Bank of China	principal protected	June 12, 2017	June 27, 2017	3.20%	200,000	263	Matured
4	Bank of China	principal protected	July 5, 2017	July 21, 2017	3.20%	200,000	281	Matured
5	Bank of China	principal protected	April 21, 2017	May 19, 2017	3.30%	120,000	304	Matured
6	Bank of China	principal protected	May 23, 2017	June 5, 2017	2.70%	80,000	77	Matured
7	Bank of China	principal protected	May 5, 2017	June 9, 2017	3.30%	100,000	316	Matured
8	Bank of China	principal protected	May 19, 2017	June 23, 2017	3.20%	120,000	368	Matured
9	Bank of China	principal protected	June 6, 2017	June 29, 2017	3.30%	60,000	125	Matured
10	Bank of China	principal protected	June 9, 2017	June 29, 2017	3.20%	100,000	175	Matured
11	Bank of China	principal protected	July 5, 2017	July 21, 2017	3.20%	180,000	253	Matured
12	Bank of China	principal protected	July 5, 2017	August 7, 2017	3.40%	300,000	922	Matured
13	Bank of China	principal protected	September 25, 2017	October 25, 2017	3.50%	100,000	288	Matured
14	Bank of China	principal protected	September 25, 2017	October 31, 2017	3.60%	300,000	1,065	Matured
15	Bank of China	principal protected	October 17, 2017	November 7, 2017	3.40%	10,000	20	Matured
16	Bank of China	principal protected	October 26, 2017	November 17, 2017	3.40%	100,000	205	Matured
17	Bank of China	principal protected	October 31, 2017	November 22, 2017	3.40%	300,000	615	Matured
18	Bank of China	principal protected	November 22, 2017	December 14, 2017	3.40%	40,000	82	Matured
19	Bank of China	principal protected	November 29, 2017	December 29, 2017	3.40%	80,000	224	Matured

With respect to all the wealth management products we invested in, our full recovery of the principal investment amounts is guaranteed and protected by the respective banks. These wealth management products we invested in during the Track Record Period were mainly used by the issuing banks to invest in (i) highly liquid assets, including, but not limited to, PRC government bonds, financial bonds, corporate bonds, enterprise bonds, short-term financing instruments, medium-term notes, subordinated bonds and other investment-grade debt instruments; and (ii) various types of asset management plans, or a combination of any of the foregoing. According to the underlying contracts for these wealth management products, the investment allocation decisions of these funds are generally made by the licensed commercial banks on a discretionary basis. We made investments in these wealth management products primarily for the purposes of gaining reasonably higher short-term investment returns than the fixed rate returns from cash deposits at banks.

We have adopted investment and treasury policies and internal control measures to review and monitor our investment risks. We consider investing in wealth management products only when we have surplus cash that is not required for our short-term working capital purposes. We consider the profits expected to be generated and the risks expected to be involved before we make any investment. In accordance with our internal wealth investment administration rules, we are only allowed to purchase short-term wealth management products, typically those redeemable upon demand, issued by large state-owned licensed banks or listed licensed banks in China, including Bank of China and China Everbright Bank. Our Finance department is responsible for selecting reputable commercial banks, assessing the relevant financial risks by considering our financial condition and cash flows and market conditions such as fluctuations of money market yields, and ascertaining a pool of wealth management products for our chief executive officer to approve. For each investment that we decide to make, we aim to maintain its value by setting up a working team, which comprises business, finance and legal staff, and keeping a register to monitor the performance of the investment. We also maintain detailed accounting records of each investment and review the investments on a regular basis. We did not have any investment in wealth management products as of December 31, 2017. To achieve reasonably higher return on our excess cash than regular bank deposits, we may continue to take a prudent approach to make selective investment in similar wealth management products with low risk, i.e., principal protected wealth management products from reputable PRC banks with a maturity ranging from 30 days to six months and annualized interest rate above the bank deposit interest rate, with an investment limit not exceeding RMB1 billion in accordance with our internal wealth investment policies.

The following table sets forth the components of our other income for the periods indicated.

	For the year ended December 31,						For the nine months ended September 30,			
	2014		2015		2016		2016		2017	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000	%
Late fee income	2,694	82.2	1,301	62.3	2,769	57.7	2,017	61.1	2,481	30.4
Waste recycling income[1]	30	0.9	8	0.4	887	18.5	875	26.5	32	0.4
Investment income from wealth management products	—	—	—	—	—	—	—	—	4,151	50.8
Others	552	16.9	779	37.3	1,146	23.8	411	12.4	1,503	18.4
Total	**3,276**	**100.0**	**2,088**	**100.0**	**4,802**	**100.0**	**3,303**	**100.0**	**8,167**	**100.0**

Note:

(1) Waste recycling income are primarily derived from the sales of scrap metal, plastics, paper and other recyclable materials we collect on the properties under our management.

Other expenses

Our other expenses mainly consist of (i) compensation and penalty expenses in connection with our late payment of certain taxes, (ii) donations, and (iii) others. In 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017, our other expenses amounted to RMB0.5 million, RMB2.3 million, RMB1.3 million, RMB0.5 million and RMB0.5 million, respectively.

Other losses and other gains

Our other losses mainly consist of losses on disposal of property, plant and equipment. In 2014, 2015, 2016 and the nine months ended September 30, 2016, our other losses amounted to RMB260,000, RMB327,000, RMB219,000 and RMB17,000, respectively. For the nine months ended September 30, 2017, we recorded other gains of RMB12,000.

Net finance income

Our net finance income mainly consists of interest income from loans due from related parties, partially offset by interest expenses of other borrowings and asset-backed securities in relation to our asset-backed securities arrangement with an independent assets management company. See "—Indebtedness—Asset-backed Securities" below for the details on the asset-backed securities arrangement and see Note 31(b) to the Accountant's Report in Appendix I for the detailed description of the interest from loans due from related parties. These loans had been fully repaid as of August 31, 2017 and we do not expect to extend such loans in the future.

The following table sets forth the components of our finance income and finance expenses for the periods indicated.

	For the year ended December 31,			For the nine months ended September 30,	
	2014	2015	2016	2016	2017
			(RMB' 000)		
				(Unaudited)	
Finance expenses:					
— Interest expenses of other borrowings	(78,513)	(55,321)	(19,461)	(19,461)	—
— Interest expenses of asset-backed securities	—	—	(52,031)	(37,428)	(48,791)
	(78,513)	(55,321)	(71,492)	(56,889)	(48,791)
Finance income:					
— Interest income from loans due from related parties	79,523	66,902	86,098	68,490	53,070
Net finance income	**1,010**	**11,581**	**14,606**	**11,601**	**4,279**

Income tax expenses

Our income tax expense mainly comprises PRC corporate income tax.

	For the year ended December 31,			For the nine months ended September 30,	
	2014	2015	2016	2016	2017
			(RMB' 000)		
				(Unaudited)	
Current income tax					
— PRC corporate income tax	14,303	30,485	70,847	50,296	66,597
Deferred income tax					
— PRC corporate income tax	2,885	(3,108)	(8,137)	(4,546)	2,771
	17,188	**27,377**	**62,710**	**45,750**	**69,368**

In 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017, our effective income tax rates were 27.2%, 27.5%, 27.1%, 26.4% and 25.7%, respectively. These were slightly higher than the PRC statutory corporate income tax rate of 25%, primarily due to certain expenses that were not tax deductible, including certain advertising expenses, business development expenses and overdue charges for tax payments. The fluctuations in our effective tax rates were also mainly attributable to fluctuations in such expenses.

RESULTS OF OPERATIONS

The nine months ended September 30, 2017 compared to the nine months ended September 30, 2016

Revenue

Our revenue increased by 34.1% to RMB1,168.9 million in the nine months ended September 30, 2017 from RMB871.8 million in the nine months ended September 30, 2016. The increase in revenue was primarily due to an increase in revenue from property management services and, to a lesser extent, an increase in revenue from value-added services to non-property owners and property owners.

- *Revenue from property management services*. Revenue from property management services increased by 33.0% to RMB898.2 million in the nine months ended September 30, 2017 from RMB675.4 million in the nine months ended September 30, 2016, primarily due to an increase in our total GFA under management from 45.4 million sq.m. as of September 30, 2016 to 76.2 million sq.m. as of September 30, 2017, and, to a lesser extent, a slight increase in our average property management fees per sq.m. per month from RMB2.94 in the nine months ended September 30, 2016 to RMB2.98 in the same period of 2017. The increase in the total GFA under management was as a result of our continuous efforts to expand our property management portfolio to include more non-residential properties. The GFA under management for non-residential properties increased significantly from 1.1 million sq.m. as of September 30, 2016 to 19.7 million sq.m. as of September 30, 2017, primarily because we were engaged to provide consultancy services to a tourist destination with a GFA of 17.9 million sq.m. in the nine months ended September 30, 2017.

- *Revenue from value-added services to non-property owners.* Revenue from value added services to non-property owners increased by 37.4% to RMB206.0 million in the nine months ended September 30, 2017 from RMB150.0 million in the nine months ended September 30, 2016, primarily due to an increase in sales assistance services in relation to increased property sales activities by our clients.

- *Revenue from value-added services to property owners.* Revenue from value added services to property owners increased by 39.2% to RMB64.6 million in the nine months ended September 30, 2017 from RMB46.4 million in the nine months ended September 30, 2016, primarily driven by an increase in revenue from resident services as a result of our marketing efforts and our continuous efforts to diversify the value-added services, for example, we increased group purchase and upgraded the parking lot gateway system in the second half of 2017.

Cost of sales

Our cost of sales increased by 19.7% to RMB785.7 million in the nine months ended September 30, 2017 from RMB656.5 million in the nine months ended September 30, 2016, primarily due to our business expansion and an increase in our sub-contracting cost in relation to cleaning, maintenance and repairs, and greening and gardening services from RMB146.4 million in the nine months ended September 30, 2016 to RMB188.7 million in the nine months ended September 30, 2017. Our cost of sales increased at a rate slower than our revenue, primarily due to (i) our efforts to control costs by subcontracting greening and gardening, cleaning, and maintenance and repair services to qualified third parties and (ii) a decrease in our business tax and other levies following the gradual implementation of the PRC business tax reform measures which became effective in May 2016.

Gross profit and gross profit margin

As a result of the foregoing, our gross profit increased by 78.0% to RMB383.2 million in the nine months ended September 30, 2017 from RMB215.3 million in the nine months ended

September 30, 2016. Our gross profit margin increased to 32.8% in the nine months ended September 30, 2017 from 24.7% in the nine months ended September 30, 2016.

- *Property management services.* Our gross profit margin for property management services increased to 32.2% in the nine months ended September 30, 2017 from 24.8% in the nine months ended September 30, 2016, primarily due to economies of scale and a decrease in our labor cost relative to revenue as a result of an increase in subcontracting of our cleaning, maintenance and repair, and greening and gardening services, our other effective cost control efforts, the decrease in our business tax and other levies, and a slight increase in our average property management fees per sq.m. per month from RMB2.94 in the nine months ended September 30, 2016 to RMB2.98 in the same period of 2017.

- *Value-added services to non-property owners*. Our gross profit margin for value added services to non-property owners increased to 32.4% in the nine months ended September 30, 2017 from 22.6% in the nine months ended September 30, 2016, primarily due to economies of scale and our optimization of labor force.

- *Value-added services to property owners*. Our gross profit margin for value-added services to property owners increased to 41.8% in the nine months ended September 30, 2017 from 29.6% in the nine months ended September 30, 2016, primarily due to economies of scale, the decrease in our business tax and other levies and our continuous efforts to diversify the value-added services, for example, we increased group purchase and upgraded the parking lot gateway system in the second half of 2017.

Selling and marketing expenses

Our selling and marketing expenses increased by 110.0% to RMB21.7 million in the nine months ended September 30, 2017 from RMB10.3 million in the nine months ended September 30, 2016, primarily due to an increase in our advertising expenses reflecting the enhanced promotion of our one-stop service platform, our business expansion efforts and the development of our A-Steward Alliance.

Administrative expenses

Our administrative expenses increased by 124.2% to RMB103.2 million in the nine months ended September 30, 2017 from RMB46.0 million in the nine months ended September 30, 2016, primarily due to (i) the establishment of a centralized control center at our Guangzhou headquarters, (ii) competitive salary packages provided to new members of our senior management and professionals engaging in administrative matters for the companies engaged in the businesses of sale agency and home inspection started in July 2017 and April 2017, respectively, and (iii) an increase in operating lease payments, staff and workers' training expenses and other related expenses, all of which was in line with our business diversification strategy and business expansion.

Other income

Our other income increased by 147.3% to RMB8.2 million in the nine months ended September 30, 2017 from RMB3.3 million in the nine months ended September 30, 2016, primarily due to the income from our investment in wealth management products of RMB4.2 million in relation to our short-term investment in certain Renminbi-denominated wealth management products.

Operating profit

As a result of the foregoing, our operating profit increased by 64.5% to RMB266.1 million in the nine months ended September 30, 2017 from RMB161.8 million in the nine months ended September 30, 2016.

Finance income—net

Our finance income—net decreased by 63.1% to RMB4.3 million in the nine months ended September 30, 2017 from RMB11.6 million in the nine months ended September 30, 2016, primarily due to a decrease in the average balance of loans due from related parties.

Profit before income tax

As a result of the foregoing, our profit before income tax increased by 55.9% to RMB270.3 million in the nine months ended September 30, 2017 from RMB173.4 million in the nine months ended September 30, 2016.

Income tax expenses

Our income tax expenses increased by 51.6% to RMB69.4 million in the nine months ended September 30, 2017 from RMB45.8 million in the nine months ended September 30, 2016, primarily due to an increase in our taxable income.

Profit for the period

As a result of the foregoing, our profit for the period increased by 57.5% to RMB201.0 million in the nine months ended September 30, 2017 from RMB127.6 million in the nine months ended September 30, 2016, and our net profit margin increased to 17.2% in the nine months ended September 30, 2017 from 14.6% in the nine months ended September 30, 2016.

Year ended December 31, 2016 compared to year ended December 31, 2015

Revenue

Our revenue increased by 33.2% to RMB1,244.7 million in 2016 from RMB934.4 million in 2015, primarily reflecting the increase in revenue from property management services and value-added services to non-property owners.

- *Revenue from property management services*. Revenue from property management services increased by 41.6% to RMB977.9 million in 2016 from RMB690.7 million in 2015, primarily due to the increase in the total GFA under management from 35.0 million sq.m. in 2015 to 50.1 million sq.m. in 2016 as a result of our continuous efforts to expand our property management portfolio to include more properties developed by independent third parties and non-residential properties. In particular, our revenue from property management services generated from commercial properties increased significantly to RMB171.2 million in 2016 from RMB17.0 million in 2015, primarily because we contracted to manage certain commercial properties developed by Gaode in 2016. See the section entitled "Business—Property Development Services—Portfolio of Properties under Management" in this prospectus. Our average property management fees in 2015 and 2016 remained the same.

- *Revenue from value-added services to non-property owners*. Revenue from value added services to non-property owners increased by 14.1% to RMB212.2 million in 2016 from RMB186.0 million in 2015, primarily due to an increase in sales assistance services as a result of increased property sales activities by our clients.

- *Revenue from value-added services to property owners*. Revenue from value added services to property owners decreased by 5.3% to RMB54.6 million in 2016 from RMB57.7 million in 2015, primarily due to a decrease in revenue from property value management services, which was partially offset by revenue from resident services.

Cost of sales

Our cost of sales increased by 18.8% to RMB933.1 million in 2016 from RMB785.6 million in 2015, primarily due to (i) an increase in our subcontracting cost in relation to cleaning, maintenance and repair, and greening and gardening services from RMB133.8 million in 2015 to RMB205.8 million in 2016; (ii) an increase in employee benefit expenses from RMB457.2 million in 2015 to RMB510.8 million in 2016, as a result of our business expansion; (iii) an increase in utilities as a result of higher utility expenses relating to high-end commercial properties developed by Gaode; and (iv) an increase in consulting fee from RMB1.2 million in 2015 to RMB27.5 million incurred in connection with our provision of management services to certain high-end commercial properties in 2016, for which we consulted certain industry experts for guidance and training due to the higher management service standards required by such properties as compared to other commercial properties. Our cost of sales increased at a rate slower than our revenue, primarily due to (i) our efforts to control cost by subcontracting greening and gardening, cleaning, and maintenance and repair services to qualified third parties and (ii) a decrease in our business tax and other levies following the gradual implementation of the PRC tax reform measures which became effective in May 2016.

Gross profit and gross profit margin

As a result of the foregoing, our gross profit increased by 109.4% to RMB311.6 million in 2016 from RMB148.8 million in 2015. Our gross profit margin increased to 25.0% in 2016 from 15.9% in 2015.

- *Property management services.* Our gross profit margin for property management services increased to 24.9% in 2016 from 15.1% in 2015, primarily due to (i) successful labor force optimization starting from the second half of 2015, (ii) the economies of scale we have achieved as we expanded our business, (iii) a decrease in our labor cost relative to revenue as a result of increased subcontracting of our cleaning, maintenance and repair, and greening and gardening services, and (iv) the decrease in our business tax and other levies following the gradual implementation of the PRC business tax reform measures which became effective in May 2016.

- *Value-added services to non-property owners*. Our gross profit margin for value-added services to non-property owners increased to 24.8% in 2016 from 15.7% in 2015, primarily due to the economies of scale we have achieved as we expanded our business and the decrease in our business tax and other levies.

- *Value-added services to property owners*. Our gross profit margin for value added services to property owners increased to 28.1% in 2016 from 26.8% in 2015, primarily due to our optimization of labor force as a result of improvement in operational efficiency.

Selling and marketing expenses

Our selling and marketing expenses increased significantly to RMB19.1 million in 2016 from RMB8.8 million in 2015, primarily due to an increase in employee benefit expenses with respect to (i) our increased selling and marketing personnel and (ii) an increase in advertising expenses, both incurred in connection with promoting our one-stop service platform and our market expansion efforts in 2016.

Administrative expenses

Our administrative expenses increased by 52.3% to RMB78.7 million in 2016 from RMB51.7 million in 2015, primarily due to an increase in employee benefit expenses as a result of recruitment of new senior management and professionals engaging in administrative matters for the companies engaged in the businesses of travel agency and advertising started in October 2015 and June 2016, respectively and an increase in administrative personnel as a result of our expanded scale.

Other income

Our other income increased by 130.0% to RMB4.8 million in 2016 from RMB2.1 million in 2015, primarily due to an increase in late fee income arising from overdue property management fees and income from a one-off disposal of an obsolete transformer.

Operating profit

As a result of the foregoing, our operating profit increased by 147.2% to RMB217.2 million in 2016 from RMB87.8 million in 2015.

Finance income

Our finance income increased by 28.7% to RMB86.1 million in 2016 from RMB66.9 million in 2015, primarily due to an increase in interest income from certain loans due from related parties. See "—Related Party Transactions and Balances."

Finance expenses

Our finance expenses increased by 29.2% to RMB71.5 million in 2016 from RMB55.3 million in 2015, primarily due to an increase in the average balance of interest-bearing borrowings.

Profit before income tax

As a result of the foregoing, our profit before income tax increased by 133.1% to RMB231.8 million in 2016 from RMB99.4 million in 2015.

Income tax expenses

Our income tax expenses increased by 129.1% to RMB62.7 million in 2016 from RMB27.4 million in 2015, primarily due to an increase in profit before income tax.

Profit for the year

As a result of the foregoing, our profit for the year increased by 134.7% to RMB169.0 million in 2016 from RMB72.0 million in 2015, and our net profit margin for the year increased to 13.6% in 2016 from 7.7% in 2015.

Year ended December 31, 2015 compared to year ended December 31, 2014

Revenue

Our revenue increased by 13.1% to RMB934.4 million in 2015 from RMB826.1 million in 2014, reflecting an increase in revenue from property management services and value-added services to property owners.

- *Revenue from property management services*. Revenue from property management services increased by 16.1% to RMB690.7 million in 2015 from RMB595.0 million in 2014, primarily due to (i) an increase in the total GFA under management from 24.4 million sq.m. in 2014 to 35.0 million sq.m. in 2015, especially the increase in the GFA under our management of vacation properties in Hainan and Yunnan; and (ii) an increase in our average property management fees per sq.m. per month from RMB2.89 in 2014 to RMB2.94 in 2015.

- *Revenue from value-added services to non-property owners.* Revenue from value added services to non-property owners slightly decreased by 1.5% to RMB186.0 million in 2015 from RMB188.8 million in 2014.

- *Revenue from value-added services to property owners.* Revenue from value added services to property owners increased by 36.6% to RMB57.7 million in 2015 from RMB42.3 million in 2014, primarily due to the increase in the number of residents served by us as we expanded our business scale.

Cost of sales

Our cost of sales increased by 8.0% to RMB785.6 million in 2015 from RMB727.3 million in 2014, primarily due to (i) an increase in our employee benefit expenses as a result of our business expansion, and (ii) an increase in our subcontracting cost of cleaning, maintenance and repair, and greening and gardening services. Our cost of sales increased at a rate slower than our revenue, primarily due to our successful implementation of initiatives for optimization of labor force.

Gross profit and gross profit margin

As a result of the foregoing, our gross profit increased by 50.6% to RMB148.8 million in 2015 from RMB98.8 million in 2014, and our gross profit margin increased to 15.9% in 2015 from 12.0% in 2014.

- *Property management services.* Our gross profit margin for property management services increased to 15.1% in 2015 from 11.0% in 2014, primarily due to the increase in the GFA under management of vacation properties in Hainan and Yunnan and our energy-saving upgrades carried out in 2015. Vacation property management services generally have a higher gross profit margin relative to other residential properties, primarily due to their more popular location and more featured services provided for them, and an increase in our average property management fees per sq.m. per month from RMB2.89 in 2014 to RMB2.94 in 2015.

- *Value-added services to non-property owners*. Our gross profit margin for value-added services to non-property owners increased to 15.7% in 2015 from 12.0% in 2014, primarily due to our optimization of labor force as a result of improvement in operational efficiency.

- *Value-added services to property owners*. Our gross profit margin for value-added services to property owners increased to 26.8% in 2015 from 25.3% in 2014, primarily due to economies of scale.

Selling and marketing expenses

Our selling and marketing expenses increased by 29.0% to RMB8.8 million in 2015 from RMB6.8 million in 2014, primarily due to an increase in advertising expenses reflecting our enhanced marketing efforts to expand our property management services to also cover properties developed by independent third party property developers or other property developers other than Agile Group.

Administrative expenses

Our administrative expenses increased by 63.1% to RMB51.7 million in 2015 from RMB31.7 million in 2014, primarily due to an increase in our employee benefit expenses as a result of the addition of functional departments, such as quality control departments in our regional offices.

Other income

Our other income decreased by 36.3% to RMB2.1 million in 2015 from RMB3.3 million in 2014, primarily reflecting a decrease in late fee income from outstanding property management fees.

Operating profit

As a result of the foregoing, our operating profit increased by 39.8% to RMB87.8 million in 2015 from RMB62.8 million in 2014.

Finance income

Our finance income decreased by 15.9% to RMB66.9 million in 2015 from RMB79.5 million in 2014, primarily due to a decrease in interest income due to the repayment of some related party loans due to us in 2015. See "—Related Party Transactions and Balances" below.

Finance expenses

Our finance expenses decreased by 29.5% to RMB55.3 million in 2015 from RMB78.5 million in 2014, primarily due to a decrease in outstanding interest-bearing borrowings.

Profit before income tax

As a result of the foregoing, our profit before income tax increased by 55.7% to RMB99.4 million in 2015 from RMB63.9 million in 2014.

Income tax expenses

Our income tax expenses increased by 59.3% to RMB27.4 million in 2015 from RMB17.2 million in 2014, primarily due to an increase in profit before income tax.

Profit for the year

As a result of the foregoing, our profit for the year increased by 54.4% to RMB72.0 million in 2015 from RMB46.7 million in 2014, and our net profit margin for the year increased to 7.7% in 2015 from 5.6% in 2014.

DESCRIPTION OF CERTAIN CONSOLIDATED BALANCE SHEET ITEMS

The following table sets forth a summary of our consolidated balance sheets as of the dates indicated.

	As of December 31,			As of September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Assets				
Non-current assets				
Property, plant and equipment	65,593	61,740	61,603	67,500
Other intangible assets	3,163	3,483	10,738	108,975
Goodwill	—	—	—	918,967
Deferred income tax assets	5,401	8,496	16,672	13,792
Loans and interest receivables due from related parties	784,110	586,100	630,666	—
	858,267	659,819	719,679	1,109,234
Current assets				
Inventories	51,181	33,303	24,261	18,002
Trade and other receivables	475,500	342,407	223,116	816,006
Loans and interest receivables due from related parties	11,303	10,799	405,334	13,248
Cash and cash equivalents	207,101	204,374	523,163	327,762
Restricted cash	2,080	3,290	3,304	3,613
	747,165	594,173	1,179,178	1,178,631
Total assets	1,605,432	1,253,992	1,898,857	2,287,865
Equity				
Equity attributable to owners of the Company				
Share capital	50,000	50,000	50,000	1,000,000
Reserves	64,366	64,366	105,497	361,598
(Accumulated losses)/retained earnings	(91,837)	(26,871)	124,144	10,746
	22,529	87,495	279,641	1,372,344
Non-controlling interests	8,400	15,465	23,841	484
Total equity	30,929	102,960	303,482	1,372,828
Liabilities				
Non-current liabilities				
Borrowings	605,110	442,100	595,592	—
Deferred income tax liabilities	73	60	99	22,992
	605,183	442,160	595,691	22,992
Current liabilities				
Trade and other payables	778,918	528,918	761,306	852,549
Current income tax liabilities	11,402	35,954	38,585	39,496
Borrowings	179,000	144,000	199,793	—
	969,320	708,872	999,684	892,045
Total Liabilities	1,574,503	1,151,032	1,595,375	915,037
Total equity and liabilities	1,605,432	1,253,992	1,898,857	2,287,865

Property, plant and equipment

Our property, plant and equipment mainly consists of buildings, office equipments, mechanical equipments and other fixed assets. Our property, plant and equipment increased by 9.6% from RMB61.6 million as of December 31, 2016 to RMB67.5 million as of September 30, 2017, primarily due to the procurement of machinery, office equipment and transportation equipment, which was partially offset by the depreciation of our machinery, transportation equipment and buildings. Our property, plant and equipment remained relatively stable as of December 31, 2016 and December 31, 2015, which amounted to RMB61.6 million and RMB61.7 million, respectively. Our property, plant and equipment decreased by 5.9% from RMB65.6 million as of December 31, 2014 to RMB61.7 million as of December 31, 2015, primarily due to the aging and disposal of our office equipment and property management related mechanical equipment.

Other intangible assets

Our other intangible assets increased significantly from RMB10.7 million as of December 31, 2016 to RMB109.0 million as of September 30, 2017, primarily reflecting our right to use Greenland's trademarks and Greenland's customer contractual relationships with a total amount of RMB95.0 million and increase in computer software of RMB7.7 million, partially offset by the amortization of customer relationship and computer software. Trademarks and customer relationships have a finite useful life and are carried at cost less accumulated amortization. Our other intangible assets increased by 208.3% from RMB3.5 million as of December 31, 2015 to RMB10.7 million as of December 31, 2016, primarily due to newly developed intellectual properties such as the one-stop service platform. Our other intangible assets increased by 10.1% from RMB3.2 million as of December 31, 2014 to RMB3.5 million as of December 31, 2015, primarily due to our procurement of computer software for newly established branches.

Goodwill

We recorded goodwill in the amount of RMB919.0 million as of September 30, 2017 in connection with our acquisition of Greenland Property Services. This reflects the difference between the total acquisition consideration of RMB1,000.0 million and Greenland Property Services' total identifiable net assets of RMB81.0 million as of June 30, 2017. The purchase price of RMB1,000,000,000 was determined after arm's-length negotiations taking into account the prospects of the business cooperation between Greenland Holdings and our Company.

The goodwill of RMB919.0 million primarily arose from the expected future development of Greenland Property Services' business, improvement on market coverage, enrichment of the service portfolio, integration of value-added services, and improvement on management efficiency. None of the goodwill recognized is expected to be deductible for income tax purposes.

The valuation of our goodwill and other intangible assets arising from the acquisition of Greenland Property Services was conducted by ValueLink using a discounted cash flow method which was prepared for the purpose of assessing our goodwill and other intangible assets as discussed in the Accountant's Report. Key assumptions and parameters considered primarily include (i) revenue, (ii) cost, (iii) operating expenses (iv) net working capital and (v) capital expenditures. Customer relationship and trademarks acquired from Greenland Property Services were identified and recognized as intangible asset. The aggregate amount of customer relationship and trademarks are amortized over the period of their useful lives, which were assessed as eight years and five years, respectively.

According to the investment cooperation framework agreement with Greenland Holdings, Greenland Property Services was authorized to use the trademark and brand of "Greenland Property Services" which are held by Greenland Holdings on a royalty-free basis for a period of five years. Our management thus considered that the trademark of "Greenland Property Services" is separable and meets the definition of an asset. The useful life of trademark is determined with reference to the royalty-free period.

Customer relationship primarily related to:

(i) the existing property management contracts of Greenland Property Services on the Acquisition Date, which primarily consisted of 25 property management contracts entered into with Greenland Holdings in connection with properties developed by Greenland Holdings, of which 12 contracts do not specify expiration date and the remaining contracts have terms of two to five years; and

(ii) Greenland Property Services' entitlement to the yearly incremental GFA of properties under management committed by Greenland Holdings for the period from January 1, 2018 to December 31, 2022 according to the investment cooperation framework agreement with Greenland Holdings.

Considering that Greenland Holdings will commit the incremental GFA during the five-year period from January 1, 2018 to December 31, 2022 and that termination or non-renewal of property management contracts with property developers or property owners' associations are uncommon, the Group estimates the useful life and determines the amortization period of the customer relationship to be eight years with reference to the Company and the management's experience and the forecast period used by ValueLink in the valuation assessment of the customer relationship. ValueLink had assumed eight year useful life of the customer relationship based on Company and management's experience and made reference to the useful life of customer relationship used by industry peers. Therefore, the management of the Company expected that the contractual relationship with customers would be longer than five years.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is normally tested for impairment annually. We performed an impairment test of goodwill as of September 30, 2017. For the purposes of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of our cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether our other assets or liabilities are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount, an impairment loss is recognized. An impairment loss recognized for goodwill is not reversed in a subsequent period. Goodwill acquired through business combination is allocated to the cash-generating unit of Greenland Property Services. The recoverable amount of the Greenland Property Services cash-generating unit has been determined based on a value-in-use ("VIU") calculation using cash flow projections based on financial budgets covering a seven-year period approved by management. Our management extended the five–year projections as suggested by HKAS 36 for additional two years based on the considerations as follows:

(i) Based on the Company and the management's past experience, termination or non-renewal of property management contracts with property developers or property owners' associations are uncommon. In addition, the monthly property management fee and the percentage of cost to income generated from property management are stable. These provide a reasonable basis for the management of the Company to forecast cash flows reliably over a longer period.

(ii) During the period from January 1, 2018 to December 31, 2022, the significant increment in projected revenue of Greenland Property Services is primarily attributable to the 10 million sq.m. incremental GFA under management committed by Greenland Holdings each year according to the investment cooperation framework agreement with Greenland Holdings. Management considered that before the projections move into a long term stable period, such momentum of revenue growth during 2018 to 2022 will continue for another two years after 2022, during which the annual revenue growth rate gradually drops from 30% in year 2022 to 16% in year 2023 and further drops to a normal level of 7% in year 2024.

The following table sets forth each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Revenue 2018 (% annual growth rate)	305%	annual growth rate derived from 10 million sq.m. GFA evenly delivered by Greenland Holdings compared to 1.8 million sq.m. GFA under management as of December 31, 2017
Revenue 2019 (% annual growth rate)	129%	annual growth rate derived from 10 million sq.m. GFA evenly delivered by Greenland Holdings compared to 11.8 million sq.m. GFA under management as of December 31, 2018
Revenue – 2020 to 2024 (% annual growth rate)	7%–60%	annual growth rate gradually decreases from 60% in 2020, 40% in 2021 to 30% in 2022. After the cooperation framework agreement expires in 2022, the annual growth rate further decreases to 16% in 2023 and 7% in 2024
Gross margin (% of revenue)	23%	average gross margin achieved in previous year and expected efficiency improvement based on management account as of September 30, 2017
Long-term growth rate	3%	based on historical data and management's expectation on long term inflation rate
Pre-tax discount rate	18%	derived from capital asset pricing model with reference to the beta coefficient and debt ratio of certain publicly listed PRC property management companies

The budgeted revenue was derived from (i) property management revenues, based on the sum of the existing GFA under management, the 7.0 million sq.m. GFA per annum that Greenland Holdings promised to endeavor to deliver to us for management and the 3.0 million sq.m. GFA per annum that Greenland Holdings promised to give priority to us when selecting its property management company under the cooperation framework agreement, multiplied by a mix of 60% residential and 40% commercial properties with the average property management fees of residential properties of RMB33 per sq.m. per annum and that of commercial property of RMB132 per sq.m. per annum. The property management fee of commercial property is based on the average property management fees of the recently signed commercial properties management contracts (such as Wuhan Greenland Center) as of September 30, 2017. Greenland Holdings focuses on the development of high-rise office buildings and the management fee of these commercial properties are usually higher than the industry average. In addition, the mix of 60% residential and 40% commercial property management fees is based on the proportion of recently signed property management contracts and bids won from Greenland Holdings. Our Company has contracted to manage certain properties developed by Greenland Holdings with an aggregate contracted GFA of approximately 0.8 million sq.m., and won the bid to manage properties developed by Greenland Holdings with an additional aggregate GFA of approximately 2.4 million sq.m. from June 30, 2017 to October 30, 2017 and among these pipeline properties to be managed, 40% are commercial properties; (ii) property development related revenues such as sales assistance fees charged on property development projects with assumed annual growth of 15% based on historical growth rate; and (iii) other income related to property management which is assumed to be approximately 13% of property management revenue based on historical performance. The basis used to determine the value assigned to the budgeted gross margin is the average gross margin achieved in the year immediately before the budget year, increased for expected efficiency improvements, and expected market developments. The long term growth rate is based on the historical data and management's expectation on long term inflation rate. The pre-tax discount rate is determined using the capital asset pricing model with reference to the beta coefficient and debt ratio of certain publicly listed companies conducting business in the PRC property management industry. The beta coefficient is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. The values assigned to the key assumptions on market developments of the cash-generating unit and discount rate are consistent with external information sources. However, there can be no assurance that such assumptions or values will continue to be applicable or applied, or otherwise achieved in future periods.

The VIU calculation was based on: 1) reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset; 2) the most recent financial budgets/forecasts approved by the management which include estimated future cash flows expected to arise from future events such as those contemplated by the investment cooperation framework agreement and 3) estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections using a long term growth rate for subsequent years. The VIU calculation has reflected the latest development of Greenland Property Services in the three months ended September 30, 2017. The key differences in the assumptions of the VIU calculations and the valuation as of June 30, 2017 were: 1) a mix of 60% residential properties and 40% commercial properties new GFA to be delivered by Greenland Holdings from 2018 onward (based on newly signed contracts as of September 30, 2017) in the VIU calculation versus 100% residential properties from July 1, 2017 onward in the valuation as of June 30, 2017, 2) the VIU calculation assumed no revenue growth from properties developed by independent third party developers whereas the valuation as of June 30, 2017 assumed some revenue growth from properties developed by independent third parties. As the two key differences in the assumptions underlying the VIU calculations (compared to those underlying the valuation as of June 30, 2017) have offsetting impact to the recoverable amount, the recoverable amount assessed under the VIU calculations is therefore comparable to the assessed value under the valuation as of June 30, 2017.

The table below illustrates the calculation of total revenues and their annual growth rates for each of the years from 2018 to 2024 based on the additional GFA promised to be delivered by Greenland Holdings to the Group for management:

		2017 Q1–Q3 management account	2017Q4	2018	2019	2020	2021	2022	2023	2024
						(RMB'000)				
GFA										
Total planned increased areas (000'sq.m.)	(a)			10,000	10,000	10,000	10,000	10,000	2,000	2,000
In which:										
— Residential (000'sq.m.)	(b)=(a)*60%			6,000	6,000	6,000	6,000	6,000	1,200	1,200
— Commercial (000'sq.m.)	(c)=(a)*40%			4,000	4,000	4,000	4,000	4,000	800	800
Residential property management revenue										
Area of previous year end's managed properties (000'sq.m.)	(d)		1,300	1,350	7,350	13,350	19,350	25,350	31,350	32,550
Planned increased areas (000'sq.m.)	Equals to (b)		50	6,000	6,000	6,000	6,000	6,000	1,200	1,200
Area of current year end's managed properties (000'sq.m.)	(e)		1,350	7,350	13,350	19,350	25,350	31,350	32,550	33,750
Annual unit management fee (RMB/ sq.m.)	(f)		32	33	34	35	36	38	39	40
Property management revenue — Residential	(g)=((d)+(e))/2*(f)		10,935	145,168	355,762	578,861	815,026	1,064,840	1,236,059	1,320,958
Commercial property management revenue										
Area of previous year end's managed properties (000'sq.m.)	(h)		410	430	4,430	8,430	12,430	16,430	20,430	21,230
Planned increased areas (000'sq.m.)	Equals to (c)		20	4,000	4,000	4,000	4,000	4,000	800	800
Area of current year end's managed properties (000'sq.m.)	(i)		430	4,430	8,430	12,430	16,430	20,430	21,230	22,030
Annual unit management fee (RMB/ sq.m.)	(j)		90	132	136	140	144	149	153	158
Property management revenue — Commercial	(k)=((h)+(i))/2*(j)		9,804	320,760	874,223	1,460,605	2,081,383	2,738,093	3,187,494	3,409,210
Sales assistant fees (property related revenue)										
Sales assistant fees (property related revenue)	(l)		20,000	148,297	170,542	196,123	225,542	259,373	298,279	343,021
Other revenue										
Other revenue	(m)		2,254	18,872	46,249	75,252	105,953	138,429	160,688	171,725
Total revenue	**(g)+(k)+(l)+(m)**	**113,327**	**42,993**	**633,097**	**1,446,776**	**2,310,841**	**3,227,904**	**4,200,735**	**4,882,519**	**5,244,914**
Annual growth rate				**305%**	**129%**	**60%**	**40%**	**30%**	**16%**	**7%**

The calculation of total revenue and annual growth rates in the above table is based on a number of assumptions and estimates, including our ability to procure new property management service contracts, among other things. See the section entitled "Risk Factors—Risks Relating to Our Business and Industry—We cannot assure you that we can procure new property management service contracts" in this prospectus. As such, such calculation is for illustration purposes only and should not be unduly relied upon by investors. Our actual results of operations in the future may differ significantly from this calculation.

The following table sets forth the sensitivity analysis of the impact of variations in each of the key assumptions for the impairment assessment as described above on the recoverable amount of Greenland Property Services:

Assumption	Change	Base value of equity value	Sensitivity test results	Difference	Difference percentage
		(RMB'000)	(RMB'000)	(RMB'000)	
Growth rate of revenue	+1%	1,105,000	1,165,000	60,000	5%
	-1%	1,105,000	1,048,000	-57,000	-5%
	+2%	1,105,000	1,228,000	123,000	11%
	-2%	1,105,000	994,000	-111,000	-10%
Gross margin	+0.3%	1,105,000	1,169,000	64,000	6%
	-0.3%	1,105,000	1,042,000	-63,000	-6%
	+0.5%	1,105,000	1,211,000	106,000	10%
	-0.5%	1,105,000	999,000	-106,000	-10%
Long-term growth rate	+0.5%	1,105,000	1,128,000	23,000	2%
	-0.5%	1,105,000	1,084,000	-21,000	-2%
	+1%	1,105,000	1,153,000	48,000	4%
	-1%	1,105,000	1,063,000	-42,000	-4%
Pre-tax discount rate	+0.5%	1,105,000	1,063,000	-42,000	-4%
	-0.5%	1,105,000	1,151,000	46,000	4%
	+1%	1,105,000	1,023,000	-82,000	-7%
	-1%	1,105,000	1,200,000	95,000	9%

As of September 30, 2017, the recoverable amount of RMB1,105 million of the property management business operated by Greenland Property Services calculated based on VIU exceeded its carrying value of RMB1,009 million by approximately RMB96 million. A 1.72% decrease in estimated annual revenue growth rate, a 0.45% decrease in estimated gross margin, a 2.51% decrease in estimated long term growth rate or a 1.18% increase in estimated discount rate, all changes taken in isolation in the VIU calculations, would remove the remaining excess carrying value of RMB96 million. By reference to the subsequent assessment of recoverable amount as of September 30, 2017 by ValueLink, the directors of our Company determined that no impairment provision on goodwill and other intangible assets was required as of September 30, 2017 and the conclusion of no impairment of the goodwill and other intangible assets as of June 30, 2017 remained unchanged. However, the fair value of the goodwill may decrease and we may need to make a goodwill impairment in the future, which may have a material and adverse effect on our financial position and results of operations. See the section entitled "Risk Factors—Risks Relating to Our Business and Industry—We acquired Greenland Property Services in June 2017 and may fail to achieve the desired benefits from such acquisition or may need to make an impairment with respect to the goodwill of RMB919.0 million and other intangible assets of RMB91.7 million in connection with such acquisition, either of which could have a material adverse effect on our results of operations and financial position" in this prospectus.

Loans and interest receivables due from related parties

Our total loans and interest receivables due from related parties (including current and non-current portions) decreased from RMB1,036.0 million as of December 31, 2016 to RMB13.2 million as of September 30, 2017, primarily due to our efforts to clear all borrowings due from related parties prior to the Listing. Our total loans and interest receivables due from related parties increased by 73.6% from RMB596.9 million as of December 31, 2015 to RMB1,036.0 million as of December 31, 2016, primarily due to our loans to Agile Group in 2016. Our loans and interest receivables due from related parties decreased by 25.0% from RMB795.4 million as of December 31, 2014 to RMB596.9 million as of December 31, 2015, primarily due to the partial repayment by Agile Group of loans borrowed from Shanghai Harrogate. For details on the movement of loans and interest due from related parties, please see Note 31(b) to the Accountant's Report in Appendix I to this prospectus. All of our loans and interest receivables due from related parties as of September 30, 2017 will be fully settled prior to the Listing.

Inventories

Our inventories primarily consist of parking lots and shops, consumables and food and beverages. Consumables primarily include materials, such as hardware accessories, wires and plastic pipes, stocked for repairs and maintenance, cleaning, greening and other property management services or value-added services we provided to property owners and residents. The general decrease in our inventories during the Track Record Period was primarily due to the decrease in the number of parking lots as a result of our sales efforts, partially offset by the general increase in consumables during the Track Record Period which was in line with our business expansion. The following table sets forth the components of our inventories as of the dates indicated.

	As of December 31,			As of September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Parking lots and shops	45,705	31,786	18,684	4,717
Consumables	6,766	6,393	8,456	13,679
Food and beverages	1,448	1,186	92	—
Less: allowance for impairment	(2,738)	(6,062)	(2,971)	(394)
Total	**51,181**	**33,303**	**24,261**	**18,002**

Historically, we held a small number of parking lots and shops on certain properties we managed and made sales from time to time. This has not been our main business, and we do not intend to engage in such business as this type of inventory depletes.

As of the Latest Practicable Date, approximately RMB9.7 million, or 53.6% of our total inventories as of September 30, 2017 had been utilized or settled, among which approximately RMB3.5

million parking lots and shops had been sold and approximately RMB6.2 million consumables had been utilized.

Trade and other receivables

The following table sets forth the composition of our trade and other receivables as of the dates indicated.

	As of December 31,			As of September 30,
	2014	2015	2016	2017
		(RMB'000)		
Trade receivables	267,574	153,461	136,320	287,590
Other receivables	203,810	183,432	76,444	499,331
Prepayments	4,116	5,514	10,352	29,085
	475,500	**342,407**	**223,116**	**816,006**

Trade receivables

Trade receivables mainly arise from property management services and value-added services provided to Agile Group and property owners and residents.

	As of December 31,			As of September 30,
	2014	2015	2016	2017
		(RMB '000)		
Trade receivables				
— Related parties	224,250	89,368	37,872	165,730
— Third parties	47,285	69,133	104,855	129,728
Total	271,535	158,501	142,727	295,458
Less: allowance for impairment of trade receivables	(3,961)	(5,040)	(6,407)	(7,868)
	267,574	**153,461**	**136,320**	**287,590**

Before allowance for impairment of trade receivables, our trade receivables increased by 107.1% from RMB142.7 million as of December 31, 2016 to RMB295.5 million as of September 30, 2017, primarily due to (i) the addition of Greenland Property Services' trade receivables in an amount of RMB111.8 million, following our acquisition of Greenland Property Services on June 30, 2017 and (ii) increased GFA under management as our business grew. Greenland Property Services' trade receivables comprised primarily property management fees of RMB73.8 million and RMB38.0 million, respectively, due from Greenland Holdings and the third party property owners and residents as of September 30, 2017.

Our trade receivables decreased by 11.2% from RMB153.5 million as of December 31, 2015 to RMB136.3 million as of December 31, 2016, primarily due to a decrease in trade receivables due from related parties due to faster turnover as a result of our collecting efforts, which is partially offset by an increase in trade receivables due to the expansion of our business scale.

Our trade receivables decreased by 42.6% from RMB267.6 million as of December 31, 2014 to RMB153.5 million as of December 31, 2015, primarily due to expedited settlement of trade receivables from related parties in 2015, partially offset by an increase in property management fee receivables as we expanded our business scale.

The following table sets forth our trade receivable turnover days for the periods indicated.

	For the year ended December 31,			For the nine months ended September 30,
	2014	2015	2016	2017
Trade receivable turnover days[(1)]	92	81	42	49

Note:

(1) Calculated as the average balances of trade receivables of the relevant period divided by revenue in that relevant period then multiplied by the number of days, i.e. 360, in the year or 270, in the nine months.

The general decrease in our trade receivable turnover days in 2014, 2015 and 2016 was primarily due to our enhanced collection efforts. The increase in our trade receivable turnover days in the nine months ended September 30, 2017 as compared to 2016 was mainly due to the acquisition of Greenland Property Services, the trade receivables of which have longer turnover days.

The following table sets forth an aging analysis of our trade receivables (including Greenland Property Services' trade receivables) based on invoice date as of the dates indicated.

	As of December 31,			As of September 30,
	2014	2015	2016	2017
	(RMB '000)			
0-180 days	51,314	66,647	106,989	209,301
181-365 days	143,753	78,967	17,361	42,455
1 to 2 years	69,377	5,818	9,128	30,939
2 to 3 years	4,501	2,842	3,861	6,329
Over 3 years	2,590	4,227	5,388	6,434
	271,535	**158,501**	**142,727**	**295,458**

The following table sets forth an aging analysis of Greenland Property Services' trade receivables based on invoice date as of September 30, 2017.

	As of September 30, 2017
	(RMB '000)
0-180 days	75,918
181-365 days	19,993
1 to 2 years	14,661
2 to 3 years	957
Over 3 years	302
	111,831

The table below sets forth the movements in our allowance for impairment of trade receivables as of the dates indicated:

	As of December 31,			As of September 30,
	2014	2015	2016	2017
	(RMB '000)			
At the beginning of the year/period	5,227	3,961	5,040	6,407
Provision for receivables impairment	741	1,925	1,498	2,851
Receivables written off as uncollectable	(1,851)	(692)	(111)	—
Unused amounts reversed	(156)	(154)	(20)	(1,390)
At the end of the year/period	3,961	5,040	6,407	7,868

In determining the recoverability of trade receivables from the property management services, we take into consideration a number of indicators, including subsequent settlement status, historical write-off experience and management fee collection rate of the residents in estimating the future cash flows from the receivables. For the provision of value-added services, before accepting any new customer, we assess the potential customer's credit quality and determine credit rating limits of each customer. Limits attributed to customers are reviewed once a year. In determining the recoverability of trade receivables from value-added services, we consider any change in the credit quality of the trade receivable from the date on which the credit was initially granted up to the reporting date.

To expedite the recovery of our trade receivables, we have formulated and implemented various measures, including the following:

- designating a group, which comprises key personnel in our operations and finance departments, including the relevant property manager assistants, responsible department managers and property managers, to monitor the progress of collecting trade receivables;
- actively monitoring the progress of, and coordinating with our customers on, payment schedules;
- analyzing receivable aging and establishing company-wide monthly plans including collection items, collection amounts and collection schedule, for designated personnel in our various departments;
- designating key personnel for the responsibility of collecting major receivable items, with such key personnel periodically updating the receivable collection status;
- conducting review of property management fees we contract for with greater scrutiny on budgets to avoid any shortfalls; and
- adopting and implementing the Operating Procedures for Collecting Property Management Fees as company-wide guidelines. For details, see the section entitled "Business—Property Management Services—Payment Terms and Credit Terms" of this prospectus.

Our collection rate of property management fees, calculated by dividing the property management fees we actually received during a period by the total property management fees payable to us accumulated during the same period, was 95.5%, 95.4%, 94.1%, 92.5% and 93.5% respectively, in 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017. The general decrease in collection rate since 2016 was primarily as a result of the surge in the GFA under management from properties developed by independent third-party property developers. In the nine months ended September 30, 2017, our collection rate increased to 93.5%, primarily reflecting our enhanced efforts in collection and strictly implementing the collection measures as described above.

As of the Latest Practicable Date, approximately 52.1% of our total trade receivables as of September 30, 2017 had been settled, among which approximately RMB87.6 million was collected from related parties and approximately RMB66.2 million was collected from independent third parties.

Other receivables

Other receivables during the Track Record Period primarily consist of (i) cash advances due from related parties (see Note 31(c) to the Accountant's Report in Appendix I for the detailed description of the other receivables due from related parties), and (ii) other receivables from third parties, which primarily include (a) expense payments made on behalf of property owners and residents and (b) minimum guarantee deposits with the trustee for our asset-backed securities. Others primarily include the listing expenses and Greenland Property Services' other receivables following our acquisition of it on June 30, 2017.

	As of December 31,			As of September 30,
	2014	2015	2016	2017
			(RMB '000)	
Other receivables				
— Related parties	179,658	149,661	10,345	14,271
— Payments on behalf of residents	13,900	21,914	36,438	57,118
— Borrowings to employees and payments on behalf of employees	7,598	7,112	8,187	14,110
— Guarantee deposits	—	—	12,234	—
— Wealth management products	—	—	—	400,000
— Tender bond	2,756	1,710	1,563	5,237
— Others	1,724	4,631	9,279	10,817
Subtotal	205,636	185,028	78,046	501,553
Less: allowance for impairment of other receivables	(1,826)	(1,596)	(1,602)	(2,222)
	203,810	**183,432**	**76,444**	**499,331**

Before allowance for impairment of other receivables, our other receivables increased by 542.6% from RMB78.0 million as of December 31, 2016 to RMB501.6 million as of September 30, 2017, primarily due to (i) the net purchase of wealth management products in an outstanding amount of RMB400.0 million as of September 30, 2017, (ii) an increase in payments on behalf of residents, such as utility bills, we paid on behalf of property owners and residents. Our other receivables decreased from RMB205.6 million as of December 31, 2014 to

RMB185.0 million as of December 31, 2015, and further decreased to RMB78.0 million as of December 31, 2016. Such decreases was primarily due to the settlement of cash advances due from related parties, which was partially offset by an increase in the expense payments on behalf of residents due to the business expansion. See "—Related Party Transactions and Balances."

Deferred income tax liabilities

We recorded deferred income tax liabilities in the amount of RMB23.0 million as of September 30, 2017, primarily due to the acquisition of Greenland Property Services.

Trade and other payables

The following table sets forth the composition of our trade and other payables as of the dates indicated.

	As of December 31,			As of September 30,
	2014	2015	2016	2017
	(RMB'000)			
Trade payables	50,916	60,567	103,501	165,259
Other payables	477,784	164,437	264,860	327,250
Advances from customers	170,374	207,991	289,635	267,425
Accrued payroll	70,041	79,790	91,128	77,231
Other taxes payables	9,803	16,133	12,182	15,384
	778,918	**528,918**	**761,306**	**852,549**

Trade payables

Our trade payables primarily represent our obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers, including subcontracting expenses and cost of materials.

	As of December 31,			As of September 30,
	2014	2015	2016	2017
	(RMB '000)			
— Related parties	270	231	231	17
— Third parties	50,646	60,336	103,270	165,242
	50,916	**60,567**	**103,501**	**165,259**

Our trade payables increased by 59.7% from RMB103.5 million as of December 31, 2016 to RMB165.3 million as of September 30, 2017, primarily due to the addition of Greenland Property Services' trade payables of RMB46.3 million, following our acquisition of Greenland Property Services on June 30, 2017. Without considering such addition, we would have experienced a slight decrease in trade payables between such dates.

Our trade payables increased by 19.0% from RMB50.9 million as of December 31, 2014 to RMB60.6 million as of December 31, 2015, and further increased by 70.9% to RMB103.5 million as of December 31, 2016, primarily due to an increase in the GFA under management and the subcontracting of more services to independent third-party service providers.

The following table sets forth our trade payable turnover days for the periods indicated.

	For the year ended December 31,			For the nine months ended September 30,
	2014	2015	2016	2017
Trade payable turnover days(1)	20	26	32	46

Note:

(1) Calculated as the average balances of trade payables of the relevant period divided by cost of sales in that relevant period then multiplied by the number of days, i.e. 360, in the year.

Our trade payable turnover days generally increased during the Track Record Period, primarily reflecting an increase in the amount of our procurement as a result of our business expansion and our effort to subcontract more services to independent third-party service providers.

The following table sets forth an aging analysis of our trade payables based on the invoice date as of the dates indicated:

	As of December 31,			As of September 30,
	2014	2015	2016	2017
			(RMB '000)	
Up to 1 year	42,501	52,976	93,963	155,293
1 to 2 years	1,426	2,416	3,584	2,744
2 to 3 years	1,398	745	1,989	2,757
Over 3 years	5,591	4,430	3,965	4,465
	50,916	**60,567**	**103,501**	**165,259**

As of the Latest Practicable Date, approximately 52.8% of our total trade payables as of September 30, 2017 had been settled.

Other payables

Our other payables mainly represent advances due to our related parties, cash collected on behalf of property developers and owners and deposits from property owners before interior decoration works. "Others" primarily include marketing expenses, business activities expenses and insurance compensation.

	As of December 31,			As of September 30,
	2014	2015	2016	2017
			(RMB '000)	
Other payables				
— Related parties	378,700	18,344	53,604	66,898
— Deposits	70,509	95,510	123,220	145,791
— Cash collected on behalf of property owners	18,215	41,349	65,711	73,454
— Listing expenses payable	—	—	—	11,454
— Others	10,360	9,234	22,325	29,653
Subtotal	**477,784**	**164,437**	**264,860**	**327,250**

Our other payables increased by 23.6% from RMB264.9 million as of December 31, 2016 to RMB327.3 million as of September 30, 2017, primarily due to (i) an increase of RMB22.6 million and RMB7.7 million, respectively, in deposits and cash collected on half of property owners, which was in line with our business expansion, (ii) the incurrence of RMB11.5 million listing expenses during the nine months ended September 30, 2017 and (iii) an increase in other payables due to related parties, which we expect to settle in full prior to the Listing.

Our other payables increased by 61.1% from RMB164.4 million as of December 31, 2015 to RMB264.9 million as of December 31, 2016, primarily due to (i) expenses of RMB24.8 million in connection to the issuance of our asset-based securities which was provided by Agile Group on our behalf; (ii) an increase in deposits received from property owners before they undertook interior decoration works; and (iii) an increase of cash collected on behalf of property owners arising from property management fees charged on a commission basis.

Our other payables decreased by 65.6% from RMB477.8 million as of December 31, 2014 to RMB164.4 million as of December 31, 2015, primarily due to a significant decrease in other payables to related parties and the expedited settlement of receivables from related parties.

Advance from Customers

Our advances from customers mainly represent property management fees paid by property owners at the beginning of a service period before settlement at the end of a service period. The fluctuation in advance from customers incurred during the Track Record Period was generally in line with the expansion of our business.

NET CURRENT ASSETS AND NET CURRENT LIABILITIES

	As of December 31,			As of September 30,	As of November 30,
	2014	2015	2016	2017	2017
					(Unaudited)
			(RMB '000)		
Current assets					
Inventories	51,181	33,303	24,261	18,002	15,360
Trade and other receivables	475,500	342,407	223,116	816,006	509,846
Loans and interest receivables due from related parties	11,303	10,799	405,334	13,248	—
Cash and cash equivalents	207,101	204,374	523,163	327,762	662,048
Restricted cash	2,080	3,290	3,304	3,613	4,808
	747,165	594,173	1,179,178	1,178,631	1,192,062
Current liabilities					
Trade and other payables	778,918	528,918	761,306	852,549	897,166
Current income tax liabilities	11,402	35,954	38,585	39,496	85,584
Borrowings	179,000	144,000	199,793	—	—
	969,320	708,872	999,684	892,045	982,750
Net current (liabilities)/assets	**(222,155)**	**(114,699)**	**179,494**	**286,586**	**209,312**

We recorded net current liabilities of RMB222.2 million and RMB114.7 million, respectively, as of December 31, 2014 and 2015. We recorded net current liabilities of RMB222.2 million as of December 31, 2014, primarily due to other payables due to related parties of RMB378.7 million as of December 31, 2014. We reduced net current liabilities by RMB107.5 million from December 31, 2014 to December 31, 2015, primarily reflecting our partial settlement of other payables of due to related parties in 2015. We recorded net current assets of RMB179.5 million as of December 31, 2016, primarily due to (i) an increase in loans and interest receivables due from related parties which had been subsequently settled as of August 31, 2017, and (ii) an increase in cash and cash equivalents generated from operations which was in line with our business growth. Our net current assets increased to RMB286.6 million as of September 30, 2017 from December 31, 2016, primarily attributable to (i) an increase in trade and other receivables, as a result of the purchase of wealth management products in an outstanding amount of RMB400.0 million as of September 30, 2017 and an increase in trade receivables in line with our business expansion and as a result of the acquisition of Greenland Property Services; and (ii) the full redemption of the RMB695.1 million asset-backed securities on September 26, 2017 which resulted in a decrease in borrowings as of September 30, 2017, all of which were partially offset by (i) a decrease in loans and interest receivables due from related parties reflecting our efforts to clear borrowings due from related parties prior to the Listing; and (ii) a decrease in cash and cash equivalents as a result of payment of dividends in an aggregate amount of RMB298.0 million during the nine months ended September 30, 2017. A net current liability position may pose certain risks for our operations. See the section entitled "Risk Factors—Risks Relating to Our Business and Industry—We recorded net current liabilities during the Track Record Period. We cannot assure you that we will not experience net current liabilities in the future, which could expose us to liquidity risks" in this prospectus.

Working Capital

Our Directors are of the opinion that, after taking into account the financial resources available to us including the estimated net proceeds of the Global Offering and our internally generated funds, we have sufficient working capital to satisfy our requirements for at least the next 12 months following the date of this prospectus.

LIQUIDITY AND CAPITAL RESOURCES

Our principal use of cash has been for working capital purposes. Our main source of liquidity has been generated from cash flow from operations. In the foreseeable future, we expect such source to continue to be our principal sources of liquidity and we may use a portion of the proceeds from the Global Offering to finance some of our capital requirements.

Cash flow

The following table sets forth a summary of our cash flows for the periods indicated.

	Year ended December 31,			Nine months ended September 30,	
	2014	2015	2016	2016	2017
				(Unaudited)	
			(RMB '000)		
Net cash generated from operating activities	14,631	53,670	343,884	193,474	99,751
Net cash generated from/(used in) investing activities	946,539	289,854	(215,156)	(281,610)	(329,652)
Net cash (used in)/generated from financing activities	(858,177)	(346,251)	190,061	234,339	34,500
Net increase/(decrease) in cash and cash equivalents	102,993	(2,727)	318,789	146,203	(195,401)
Cash and cash equivalents at beginning of year/period	104,108	207,101	204,374	204,374	523,163
Cash and cash equivalents at end of year/period	**207,101**	**204,374**	**523,163**	**350,577**	**327,762**

Net cash generated from operating activities

Our cash from operating activities primarily consists of payments from provision of our property management services and value-added services. Cash flow from operating activities reflects: (i) profit before income tax adjusted for non-cash and non-operating items and finance costs, such as depreciation and amortization and impairment losses; (ii) the effects of movements in working capital, such as increases in trade and other receivables, trade and other payables and inventories; and (iii) income tax paid.

In the nine months ended September 30, 2017, we had net cash generated from operating activities of RMB99.8 million, resulting from our profit before income tax of RMB270.3 million and negative movements in working capital. Our negative movements in working capital primarily reflected an increase of trade and other receivables of RMB95.6 million, due mainly to the purchase of wealth management products in an outstanding amount of RMB400.0 million as of September 30, 2017 and an increase in trade receivables in line with our business expansion and as a result of the acquisition of Greenland Property Services.

In 2016, we had net cash generated from operating activities of RMB343.9 million, resulting from our profit before income tax of RMB231.8 million and positive movements in working capital. Our positive movements in working capital primarily reflected an increase in trade and other payables of RMB196.2 million, mainly due to (1) the increase in sub-contracting costs relating to cleaning, maintenance and repairs, and greening and gardening services and (2) our business expansion.

In 2015, we had net cash generated from operating activities of RMB53.7 million, resulting from our profit before income tax of RMB99.4 million and negative movements in working capital. Our negative movements in working capital primarily reflected an increase in trade and other receivables of RMB164.5 million, mainly due to our business expansion, partially offset by an increase in trade and other payables which was of RMB109.7 million also due to our business expansion.

In 2014, we had net cash generated from operating activities of RMB14.6 million, resulting from our profit before income tax of RMB63.9 million and negative movements in working capital. Our negative movements in working capital primarily reflected an increase in trade and other receivables of RMB148.0 million, primarily due to our relatively slow collection of trade receivables from related parties at the beginning of our Track Record Period, and an increase in inventories of RMB40.5 million due to the purchase of carpark lots. These negative movements in working capital were partially offset by an increase in trade and other payables of RMB131.9 million, mainly due to our business expansion.

Net cash (used in)/generated from investing activities

In the nine months ended September 30, 2017, net cash used in investing activities was RMB329.7 million, primarily reflecting the acquisition of Greenland Property Services (net of cash and cash equivalent acquired) in the amount of RMB981.2 million and purchase of wealth management products in the amount of RMB2,260.0 million, partially offset by loans repayments received from related parties in the amount of RMB1,036.0 million and redemption of wealth management products in the amount of RMB1,860.0 million.

In 2016, net cash used in investing activities was RMB215.2 million, primarily reflecting loans granted to related parties in the amount of RMB1,400.0 million, partially offset by loans repayments received from related parties in the amount of RMB950.1 million, repayment of cash advances from related parties in the amount of RMB151.5 million and interest received in the amount of RMB96.9 million.

In 2015, net cash generated from investing activities was RMB289.9 million, primarily reflecting loans repayments received from related parties in the amount of RMB198.0 million and interest received in the amount of RMB67.4 million.

In 2014, net cash generated from investing activities was RMB946.5 million, primarily reflecting loans repayments received from related parties in the amount of RMB865.9 million and interest received in the amount of RMB144.3 million, partially offset by, payment of cash advances to related parties in the amount of RMB56.5 million.

Net cash (used in)/generated from financing activities

In the nine months ended September 30, 2017, net cash generated from financing activities was RMB34.5 million, reflecting primarily the proceeds from issuance of ordinary shares in the amount of RMB1,198.6 million, which was partially offset by dividends paid to shareholders in the amount of RMB298.0 million and repayments of borrowings in the amount of RMB809.0 million.

In 2016, net cash generated from financing activities was RMB190.1 million reflecting primarily proceeds from borrowings in the amount of RMB1,078.2 million, partially offset by repayments of borrowings in the amount of RMB877.1 million and interest paid in the amount of RMB61.8 million.

In 2015, net cash used in financing activities was RMB346.3 million reflecting primarily repayments of borrowings in the amount of RMB198.0 million, repayment of cash advances to related parties in the amount of RMB93.6 million and interest paid in the amount of RMB54.7 million.

In 2014, net cash used in financing activities was RMB858.2 million reflecting primarily repayments of borrowings in the amount of RMB765.7 million and interest paid in the amount of RMB71.5 million.

INDEBTEDNESS

As of December 31, 2014, 2015 and 2016, September 30, 2017 and November 30, 2017, our total borrowings amounted to RMB784.1 million, RMB586.1 million, RMB795.4 million, nil and nil, respectively. The following table sets forth the components of our borrowings as of the dates indicated.

	As of December 31,			As of September 30,	As of November 30,
	2014	2015	2016	2017	2017
					(Unaudited)
			(RMB '000)		
Non-current					
Other borrowings — secured	784,110	586,100	—	—	—
Asset-backed securities	—	—	795,385	—	—
Less: current portion of non-current borrowings	(179,000)	(144,000)	(199,793)	—	—
	605,110	442,100	595,592	—	—
Current					
Current portion of non-current borrowings	179,000	144,000	199,793	—	—
	784,110	**586,100**	**795,385**	**—**	**—**

Our borrowings were repayable as of the dates indicated.

	As of December 31,			As of September 30,	As of November 30,
	2014	2015	2016	2017	2017
					(unaudited)
			(RMB '000)		
Within 1 year	179,000	144,000	199,793	—	—
Between 1 and 2 years	144,000	162,250	204,996	—	—
Between 2 and 5 years	461,110	279,850	390,596	—	—
	784,110	**586,100**	**795,385**	**—**	**—**

All of our other borrowings as of December 31, 2014 and 2015 were secured by certain properties of owned by a related party, Shanghai Yaheng Real Estate Development Co., Ltd., which is controlled by Agile Holdings. Such borrowings were also guaranteed by a number of our related parties, including Agile Holdings. Such borrowings had been repaid and the related security released as of December 31, 2016. Our asset-backed securities were our only indebtedness outstanding as of December 31, 2016, and we fully redeemed them as of September 30, 2017.

As of the Latest Practicable Date, we did not have any bank borrowings nor any unutilized banking facilities.

Asset-backed securities

We recorded asset-backed securities ("ABS") of RMB795.4 million and nil as of December 31, 2016 and September 30, 2017, respectively.

On January 13, 2016, we entered into an ABS arrangement with a third party asset management company, under which we pledged our right to receive the management fees for certain properties for the next five years until 2021. On February 26, 2016, the ABS was formally established with an aggregate nominal value of RMB1,100.0 million with a five-year maturity, out of which RMB100.0 million was subordinated securities purchased by us as the original equity holder, and a nominal interest rate ranged from 5% to 6% per annum.

As the original equity holder, we have the irrevocable redemption right at the redemption start date corresponding to each of the expected mature date. In June 2017, we exercised our redemption right to repurchase all of the outstanding ABS in the amount of RMB695.1 million on September 26, 2017. The ABS were fully redeemed as of September 30, 2017. Our repayment of the ABS was guaranteed by our related party, Agile Holdings and the guarantee was released upon our full redemption of the ABS on September 26, 2017.

We had no material covenants relating to any of our outstanding debts. During the Track Record Period, we had no material breach of any covenants relating to any of our outstanding debts.

During the Track Record Period and up to the date of this prospectus, our Directors confirm that they are not aware of any material defaults in payment of our trade and other payables and bank borrowings. Except as disclosed in this prospectus (including our plan to make an A share listing as described in "History, Reorganization and Corporate Structure"), we had no material external financing plans as of the Latest Practicable Date.

Contingent Liabilities

As of December 31, 2014, 2015 and 2016, September 30, 2017 and November 30, 2017, buildings in an amount of RMB31.1 million, RMB30.5 million, RMB29.9 million, nil and nil, respectively, together with the properties owned by a related party, were pledged as collateral for the borrowings of Zhongshan Agile Majestic Garden Real Estate Co., Ltd. (中山雅居樂雍景園房地產有限公司). Such guarantee period started from August 15, 2014 and will release before the Listing.

Except as disclosed herein and apart from intra-group liabilities, we did not have any outstanding loan capital, bank overdrafts and liabilities under acceptances or other similar indebtedness, debentures, mortgages, charges or loans, or acceptance credits or purchase commitments, guarantees or other material contingent liabilities or any covenant in connection therewith as of latest date for liquidity disclosure, being the latest practicable date for the purpose of the indebtedness statement. Our Directors have confirmed that there had not been any material change in the indebtedness, capital commitments and contingent liabilities of our Group since latest date for liquidity disclosure and up to the Latest Practicable Date.

COMMITMENTS

Capital commitments

Capital expenditures contracted for at the end of the year/period but not yet incurred are as follows:

	As of December 31,			As of September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Other intangible assets	—	—	—	4,403

Our capital commitment of RMB4.4 million as of September 30, 2017 refer to our commitment to pay an installment for a comprehensive online management system developed by a third party.

Operating lease commitments

We lease certain of our business premises under non-cancellable operating leases arrangement. These leases typically run for a period of from one to eight years. Our future aggregate minimum lease payments under non-cancellable operating leases as of the dates indicated are set forth below:

	As of December 31			As of September 30,
	2014	2015	2016	2017
			(RMB '000)	
No later than 1 year	18,227	14,840	12,720	23,900
Later than 1 year and no later than 5 years	37,210	29,809	23,966	28,486
Later than 5 years	7,864	5,675	2,645	363
	63,301	**50,324**	**39,331**	**52,749**

As of the latest date for liquidity disclosure, except as disclosed in this prospectus (including our plan to make an A Share listing as described in "History, Reorganization and Corporate Structure"), we did not have any definitive plan to raise external financing except for the Global Offering. As of the latest date for liquidity disclosure, we did not incur other borrowings.

Capital expenditures

The table below sets forth the amount of capital expenditure incurred during the Track Record Period:

	Year ended December 31,			Nine months ended September 30,	
	2014	2015	2016	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Additions to:					
Property, plant and equipment	4,285	2,818	6,103	1,845	11,445
Other intangible assets	870	853	7,920	577	7,651
Total	**5,155**	**3,671**	**14,023**	**2,422**	**19,096**

The total estimated capital expenditure incurred and to be incurred for the two years ending December 31, 2018 is RMB289.4 million, primarily attributable to expenditures on our fixed assets and other intangible assets. Our principal sources of funds for the capital expenditure for the two years ending December 31, 2018 are our operating cash flow and a portion of the net proceeds from the Global Offering. Please see "Future Plans and Use of Proceeds" in this prospectus.

OFF-BALANCE SHEET ARRANGEMENTS

We had no material off-balance sheet arrangements as of September 30, 2017, being the date of our most recent financial statement, and as of the Latest Practicable Date.

SUMMARY OF KEY FINANCIAL RATIOS

The following table sets forth certain of our key financial ratios as of the dates and for the periods indicated.

	As of and for the year ended December 31,			As of and for the nine months ended September 30,
	2014	2015	2016	2017[7]
Current ratio[1]	77.1%	83.8%	118.0%	132.1%
Liabilities to assets ratio[2]	98.1%	91.8%	84.0%	40.0%
Leverage ratio[3]	1,865.6%	370.8%	89.7%	N/A
Gearing ratio[4]	2,535.2%	569.3%	262.1%	0.0%
Return on total assets[5]	2.4%	5.0%	10.7%	12.8%
Return on equity[6]	614.2%	107.6%	83.2%	32.0%

Notes:

(1) Current ratio is calculated based on our total current assets divided by our total current liabilities as of the respective dates and multiplied by 100%.

(2) Liabilities to assets ratio is calculated based on total liabilities divided by total assets as of the respective dates and multiplied by 100%. Total liabilities represent the sum of current liabilities and non-current liabilities. Total assets represent the sum of current assets and non-current assets.

(3) Leverage ratio is calculated based on net debt divided by total equity as of the respective dates and multiplied by 100%. Net debt is defined as the sum of long-term and short-term interest-bearing bank and other borrowings less cash and cash equivalents.

(4) Gearing ratio was calculated based on the sum of long-term and short-term interest-bearing bank and other borrowings as of the respective dates divided by total equity as of the same dates.

(5) Return on total assets ratio is calculated based on our profit from continuing operations for the period divided by the average balance of our total assets at the beginning and the end of the period and multiplied by 100%.

(6) Return on equity ratio is calculated based on our profit from continuing operations for the period divided by the average balance of total equity at the beginning and the end of the period and multiplied by 100%.

(7) These ratios have been annualized to be comparable to those of prior years but are not indicative of the actual results.

Current ratio

Our current ratio increased from 77.1% as of December 31, 2014 to 83.8% as of December 31, 2015 primarily due to a decrease in our other payables resulting from settlement of payables due to related parties. Our current ratio further increased to 118.0% as of December 31, 2016, primarily due to (i) an increase in the current portion of our loans and interest receivables due from related parties and (ii) and an increase in cash and cash equivalents generated from operation. Our current ratio increased from 118.0% as of December 31, 2016 to 132.1% as of September 30, 2017, primarily due to a decrease in cash and cash equivalents generated from operations and an increase in other payables, both mainly resulting from the acquisition of Greenland Property Services. For more details, please refer to the sub-section entitled "—Description of Certain Consolidated Balance Sheet Items" in this section.

Liabilities to assets ratio

Our liabilities to assets ratio decreased from 98.1% as of December 31, 2014 to 91.8% as of December 31, 2015, decreased to 84.0% as of December 31, 2016 and further decreased to 40.0% as of September 30, 2017, primarily due to the continuous accumulation of retained earnings.

Leverage ratio

Our leverage ratio was 1,865.6%, 370.8%, 89.7% and N/A as of December 31, 2014, 2015 and 2016 and September 30, 2017. Our leverage ratio was calculated based on total borrowings less cash and cash equivalents divided by total equity. As of December 31, 2014, 2015 and 2016, our leverage ratio was high, due to our relatively large amount of borrowings and our relatively small total equity resulting from previously accumulated losses. See the discussion below on accumulated losses as of January 1, 2014.

The decrease in leverage ratio from December 31, 2014 to December 31, 2015 was primarily attributable to (i) an increase in total equity as a result of the improvement in our profitability and operating cash generation, and (ii) a decrease in total borrowings in connection with funds agreements with a trust company, which had been fully repaid in June 2016. The decrease in leverage ratio from December 31, 2015 to December 31, 2016 was primarily attributable to an increase in total equity as a result of the improvement in our profitability and operating cash generation, partially offset by an increase in total borrowings as we entered into an asset-backed securities arrangement with a third party asset management company in January 2016 for the purpose of providing financing to Agile Group. For details, see the section entitled "—Indebtedness—Asset-backed Securities" above. We did not have any borrowings as of September 30, 2017.

Gearing ratio

Our gearing ratio was calculated based on total borrowings divided by total equity. Our gearing ratio was 2,535.2%, 569.3%, 262.1% and nil, respectively, as of December 31, 2014, 2015 and 2016 and September 30, 2017. For the reason on the fluctuation in gearing ratio during the Track Record Period, please refer to the discussion on the fluctuation in leverage ratio above.

Return on total assets

Our return on total assets increased continuously in 2014, 2015, 2016 and decreased from 2016 to the nine months ended September 30, 2017. The increase from 2014 to 2016 was primarily due to the (i) the asset-light nature of our business, (ii) the expansion of our business scale, and (iii) the continuous improvement of our profitability from 2014 to 2016. The increase from 2016 to the nine months ended September 30, 2017 was primarily due to the continuous improvement of our profitability, which was partially offset by the Company's increased total assets resulting from the acquisition of Greenland Property Services.

Return on equity

Our return on equity decreased from 614.2% in 2014 to 107.6% in 2015, to 83.2% in 2016 and further to 32.0% in the nine months ended September 30, 2017, primarily due to (i) our relatively low equity base in 2014 as a result of previously accumulated losses and (ii) the increase of equity base resulting from the accumulation of retained earnings from 2014 to 2016 and the capital injection of RMB1.0 billion from Ningbo Lvjin and Greenland Overseas pursuant to a capital increase agreement in the nine months ended September 30, 2017.

QUANTITATIVE AND QUALITATIVE ANALYSIS ABOUT MARKET RISK

The main risks arising from our financial instruments are interest rate risk, credit risk and liquidity risk. Our exposure to these risks and the financial risk management policies and practices used by us to manage these risks are described below.

Interest rate risk

Our interest rate risk arises from non-current loans and interest receivables due from related parties and non-current borrowings, including asset-backed securities and other borrowings. Loans and interest receivables due from related parties and asset-backed securities at fixed rates expose the Group to fair value interest rate risk. Other borrowings at variable rates exposes the Group to cash flow interest rate risk. We closely monitor trend of interest rate and its impact on the Group's interest rate risk exposure. We currently have not used any interest rate swap arrangements but will consider hedging interest rate risk should the need arise.

As of December 31, 2014 and 2015, if interest rates had been 100 basis points higher or lower with all other variables held constant, our profit before tax in 2014 and 2015 would decrease or increase by approximately RMB6.1 million and RMB4.4 million, respectively, mainly as a result of higher or lower interest expenses on floating rate borrowings. As of December 31, 2016 and September 30, 2017, we had no borrowings at variable rates.

Credit risk

We are exposed to credit risk in relation to its trade and other receivables, loans and interest receivables due from related parties and cash deposits with banks.

The carrying amounts of trade and other receivables, loans and interest receivable due from related parties, restricted cash, cash and cash equivalents represent our maximum exposure to credit risk in relation to financial assets.

For the trade and other receivables, the management of us has monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, we review the recoverability of these receivables at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, our directors consider that our credit risk is significantly reduced.

For credit exposures to loans and interest due from related parties, we had not encountered any significant difficulties in collecting from the related parties in the past, and are not aware of any significant financial difficulties experienced by the related parties.

To manage credit risk of cash deposits with banks, deposits are mainly placed with licensing banks which are all high-credit-quality financial institutions.

Liquidity risk

We aim to maintain sufficient cash and cash equivalents or have available funding through an adequate amount of available financing, including advances from property management fees, short term and long-term borrowings to meet our construction commitments.

The table below set out our financial liabilities by relevant maturity grouping as of the dates indicated.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
		(RMB '000)		
As of September 30, 2017				
Borrowings	—	—	—	—
Trade and other payables (*)	492,509	—	—	492,509
As of December 31, 2016				
Borrowings	247,063	240,641	417,519	905,223
Trade and other payables (*)	368,361	—	—	368,361
As of December 31, 2015				
Borrowings	183,107	190,211	294,881	668,199
Trade and other payables (*)	225,004	—	—	225,004
As of December 31, 2014				
Borrowings	235,342	187,147	510,094	932,583
Trade and other payables (*)	528,700	—	—	528,700

* Excluding non-financial liabilities

RELATED PARTY TRANSACTIONS AND BALANCES

Parties are considered to be related if one party has the ability, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control. Members of key management and their close family member of us are also considered as related parties. For a detailed discussion of related party transactions, see note 31 to the Accountant's Report in Appendix I.

Significant related party transactions

During the Track Record Period, we had the following significant transactions with related parties.

Provision of services

In 2014, 2015, 2016 and for the nine months ended September 30, 2016 and 2017, we recorded provision of services to related parties amounted to RMB268.1 million, RMB271.1 million, RMB307.4 million, RMB188.6 million and RMB286.7 million, respectively. These are typically sales assistance services and property management services provided to Agile Group and its subsidiaries.

Interest income received/receivable of loans due from related parties

In 2014, 2015, 2016 and for the nine months ended September 30, 2016 and 2017, we recorded interest income received/receivable of loans due from related parties amounted to RMB79.5 million, RMB66.9 million, RMB86.1 million, RMB68.5 million and RMB53.1 million, respectively. See "—Balances with related parties."

Purchase of inventories

In 2014, our purchase of inventories from related parties amounted to RMB45.1 million.

Balances with related parties

	As of December 31,			As of September 30,
	2014	2015	2016	2017
	(RMB'000)			
Receivables from related parties				
— Trade receivables	224,250	89,368	37,872	165,730
— Other receivables	179,658	149,661	10,345	14,271
— Loans and interest receivables due from related parties	795,413	596,899	1,036,000	13,248
	1,199,321	**835,928**	**1,084,217**	**193,249**
Payables to related parties				
— Trade payables	270	231	231	17
— Other payables	378,700	18,344	53,604	66,849
— Advances from customers	—	—	17,890	21,948
	378,970	**18,575**	**71,725**	**88,814**

Our Directors confirm that the transactions with respect to the amounts due from and due to related parties were conducted on an arm's length basis and on normal commercial terms, and would not distort our track record results or impact the reflection of our future performance. The loans and interest receivables due from related parties as of September 30, 2017 will be fully settled prior to the Listing. Our Directors confirm that all other related party balances which are non-trade in nature will be fully settled prior to the Listing. Our Directors are of the view that our Company is financially independent of our Controlling Shareholders and their associates even if the non-trade related party balance is not settled before Listing. For further details on related party balances and transactions, please refer to Note 31 of the Accountant's Report in Appendix I to this prospectus.

DIVIDEND POLICY AND DISTRIBUTABLE RESERVES

In the nine months ended September 30, 2017, we distributed a dividend in an aggregate amount of RMB298.0 million. As of January 15, 2018, we declared a dividend in an amount of RMB50.0 million. As of the Latest Practicable Date, the amount of our declared but unpaid dividend was RMB50.0 million, which will be paid to our pre-listing Shareholders (including foreign Shareholders) after we have completed the relevant procedures with SAFE and the relevant tax authority in the PRC. The payments of the dividend above by our Company are expected to be made prior to March 31, 2018. We will deposit the relevant amount into an escrow account at a commercial bank in the PRC and will engage an independent third party escrow agent prior to the Listing Date. For payment of such declared and unpaid dividend, the escrow agent will release the fund in the escrow account for remittance or payment of such dividend once we have completed the relevant procedures with SAFE and the relevant tax authority in the PRC.

We expect to pay a dividend equivalent to 25% of the profit after tax upon Listing each year, with the first dividend to be declared during the six month period ending June 30, 2019. The payment and amounts of dividends (if any) depend on our results of operations, cash flows, financial position, statutory and regulatory restrictions on the dividends paid by us, future prospects and others factors which we consider relevant.

Holders of our Shares will be entitled to receive such dividends pro rata according to the amounts paid up or credited as paid up on the shares. The declaration, payment and amount of dividends will be subject to our discretion. The proposed payment of dividends is also subject to the absolute discretion of the Board, and, after Listing, any declaration of final dividend for the year will be subject to the approval of our Shareholders. The Board will review the dividend policy on an annual basis.

PROFIT ESTIMATE FOR THE YEAR ENDED DECEMBER 31, 2017

Our Directors estimate that, in the absence of unforeseeable circumstances and on the basis set out in Appendix III—"Profit Estimate" to this prospectus, the estimated net profit attributable to our Shareholders is as follows.

Estimated net profit attributable to our Shareholders for the year ended December 31, 2017[(1),(3)]	RMB281.30 million (equivalent to approximately HK$342.77 million)
Unaudited pro forma estimated earnings per Share for the year ended December 31, 2017[(2),(3)]	RMB0.21 (equivalent to approximately HK$0.26)

Notes:

(1) The basis on which the profit estimate has been prepared is set out in Appendix III to this prospectus. The estimated net profit attributable to our Shareholders for the year ended December 31, 2017 is based on the audited consolidated results of the Group for the nine months ended September 30, 2017 as set out in Appendix I to this prospectus, the unaudited consolidated results based on the management accounts of the Group for the three months ended December 31, 2017. The estimate has been prepared on the basis of the accounting policies consistent in all material aspects with those currently we adopted as summarized in the Accountants' Report set forth in Appendix I to this prospectus.

(2) The calculation of the unaudited pro forma estimated earnings per Share is based on the estimated net profit attributable to our Shareholders for the year ended December 31, 2017, assuming that the Global Offering had been completed on January 1, 2017 and a total of 1,333,334,000 Shares were in issue during the year ended December 31, 2017. The calculation takes no account of any Shares which may be issued upon the exercise of the Over-allotment Option.

(3) The estimated profit attributable to our Shareholders and the unaudited pro forma estimated earnings per Share are converted into Hong Kong Dollars at the exchange rate of RMB0.82067 to HK$1.00 (the median rate as published on January 19, 2018 by the China Foreign Exchange Trade System with the authorization by PBOC). No representation is made that the RMB amount have been, could have been or may be converted to Hong Kong Dollars, or vice versa, at that rate or at all.

DISCLOSURE PURSUANT TO RULES 13.13 TO 13.19 OF THE LISTING RULES

Except as otherwise disclosed in this prospectus, we confirm that, as of the Latest Practicable Date, we were not aware of any circumstances that would give rise to a disclosure requirement under Rules 13.13 to Rules 13.19 of the Listing Rules.

LISTING EXPENSES

The total listing expenses (including underwriting commissions) for the Listing of the H Shares are estimated to be approximately RMB151.0 million (assuming an Offer Price of HK$12.50 per H Share), among which, approximately RMB142.6 million is directly attributable to the issuance of H Shares and will be charged to equity upon completion of the Listing, and approximately RMB8.4, million will be charged to our consolidated statement of comprehensive income. During the Track Record Period, we incurred listing expenses of approximately RMB17.4 million, of which approximately RMB16.6 million was included in prepayments and will be subsequently charged to equity upon completion of the Listing and approximately RMB0.8 million was charged to consolidated statement of comprehensive income.

UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following unaudited pro forma adjusted net tangible assets prepared in accordance with Rule 4.29 of the Listing Rules are set out to illustrate the effect of the Global Offering on the consolidated net tangible assets of the Group attributable to the owners of the Company as of September 30, 2017 as if the Global Offering had taken place on that date.

The unaudited pro forma adjusted net tangible assets have been prepared for illustrative purposes only and, because of its hypothetical nature, may not give a true picture of the consolidated net tangible assets of the Group had the Global Offering been completed as of September 30, 2017 or at any future dates. It is prepared based on the consolidated net assets of the Group as of September 30, 2017 as set out in the Accountant's Report of the Group, the text of which is set out in Appendix I to this prospectus, and adjusted as described below. The unaudited pro forma statement of adjusted net tangible assets does not form part of the accountant's report.

	Audited consolidated net tangible assets of the Group attributable to owners of the Company as at September 30, 2017	Pro forma adjustment Estimated net proceeds from the Global Offering	Unaudited pro forma adjusted net tangible assets attributable to owners of the Company as at September 30, 2017	Unaudited pro forma adjusted net tangible assets per Share	
	Note 1	Note 2	Note 3	Note 4	Note 4
	RMB'000	RMB'000	RMB'000	RMB	HK$
Based on an Offer Price of HK$10.80 per H Share	344,402	2,819,210	3,163,612	2.37	2.89
Based on an Offer Price of HK$14.20 per H Share	344,402	3,719,470	4,063,872	3.05	3.71

Notes:

(1) The audited consolidated net tangible assets attributable to owners of the Company as of September 30, 2017 is extracted from the Accountant's Report set out in Appendix I to this prospectus, which is based on the audited consolidated net assets of the Group attributable to owners of the Company as at September 30, 2017 of RMB1,372,344,000, with adjustments for other intangible assets and goodwill as of September 30, 2017 of RMB108,975,000 and RMB918,967,000, respectively.

(2) The estimated net proceeds from the Global Offering are based on the indicative Offer Price of HK$10.80 and HK$14.20 per H Share after deduction of the estimated underwriting fees and other related expenses (excluding listing expenses of approximately RMB839,000 which have been accounted for in the consolidated statements of comprehensive income prior to September 30, 2017) payable by us, and takes no account of any shares which may be issued upon the exercise of the Over-allotment Option.

(3) The unaudited pro forma adjusted net tangible assets per Share is arrived at after the adjustments referred to in the preceding paragraphs and on the basis that 1,333,334,000 Shares were in issue assuming that the Global Offering has been completed on September 30, 2017 but takes no account of any shares which may be issued upon the exercise of the Over-allotment Option.

(4) For the purpose of this unaudited pro forma statement of adjusted net tangible assets, the balance stated in Renminbi are converted in to Hong Kong dollars at the rate of HK$1.00 to RMB0.82067. No representation is made that Renminbi amounts have been, could have been or may be converted to Hong Kong dollars, or vice versa, at that rate.

(5) The unaudited pro forma adjusted net tangible assets does not take into account the dividend of approximately RMB50.0 million declared in January 2018. Had such dividend been taken into account, the unaudited pro forma adjusted net tangible assets per Share would be approximately RMB2.34 (equivalent to HK$2.85), assuming an

Offer Price of HK$10.80 per Share, and approximately RMB3.01 (equivalent to HK$3.67), assuming an Offer Price of HK$14.20 per Share.

(6) Save as disclosed above, no adjustment has been made to the unaudited pro forma adjusted net tangible assets to reflect any trading results or other transactions of the Group entered into subsequent to September 30, 2017. In particular, the unaudited pro forma adjusted net tangible assets per Share has not taken into account the dividend declared and paid after the Track Record Period.

DIRECTORS' CONFIRMATION ON NO MATERIAL ADVERSE CHANGE

After due and careful consideration, our Directors confirm that, up to the date of this prospectus, there has been no material adverse change in our financial or trading position since September 30, 2017 (being the date to which our Company's latest consolidated audited financial results were prepared), and there has been no events since September 30, 2017 which would materially affect the information shown in the Accountant's Report, the text of which is set out in Appendix I to this prospectus.

FUTURE PLANS

See "Business—Business Strategies" for a detailed description of our future plans.

USE OF PROCEEDS

We estimate the net proceeds of the Global Offering which we will receive, assuming an Offer Price of HK$12.50 per Offer Share (being the mid-point of the Offer Price Range stated in this prospectus), will be approximately HK$3,983.7 million, after deduction of underwriting fees and commissions and estimated expenses payable by us in connection with the Global Offering and assuming the Over-allotment Option is not exercised.

We intend to use the net proceeds of the Global Offering for the following purposes assuming the Offer Price is fixed at HK$12.50 per Offer Share (being the mid-point of the indicative Offer Price Range).

- Approximately 65%, or HK$2,589.4 million, will be used to pursue selective strategic investment and acquisition opportunities and to further develop strategic alliances, among which, (i) approximately 45%, or HK$1,792.7 million, will be used to acquire other property management companies which have comparable market positions with our Company; (ii) approximately 10%, or HK$398.4 million, will be used to acquire companies which are engaged in property management related businesses, such as security, cleaning, gardening and maintenance service providers; and companies which provide community products and services complementary to those of us, including, among others, companies engaging in community retail business, community finance, community elderly caring (such as daily care and healthcare) and community education (such as pre-school education); and (iii) approximately 10%, or HK$398.4 million, will be used to invest in property management industry funds jointly with our business partners, with a view to expanding business scale and geographical coverage within a short timeframe and further diversifying our services portfolio. We have not historically formed any property management funds. We intend to pursue strategic investment and acquisitions that will enable us to (i) increase the depth and breadth of our service offerings and our managed property portfolio, (ii) improve our information technology, and (iii) expand business scale and geographical coverage within a short timeframe. The property management industry funds will aim to make strategic investments in or acquisitions of (a) property management companies with reputable positions in regional markets where they operate and quality services portfolios, (b) targets which are engaged in the businesses of advertising, property agency, home inspection and other related services to further enhance our capabilities to provide value-added services to non-property owners, and (c) targets engaged in the industries of O2O and community services to further diversify our value-added services to property owners. We will set up an internal approval system and stringent procedures covering preliminary due diligence, target selection, internal proposal and investment approval. We will also set up a funds partner board, expert advisory committee, risk control committee and investment policy committee to manage the fund operation, supervise any investment made by the funds and control any investment risk. The final decision for any investment of the funds will be made through voting by the investment policy committee, which is comprised of five members, including persons designated by our Company and by our fund partners and an industry expert. For more information on our selection criteria for acquisition targets, see the section entitled "Business—Business Strategies—Expand our property management service portfolio by selectively pursuing strategic investment, acquisition and alliance opportunities" in this prospectus. As of the Latest Practicable Date, we had not identified or committed to any acquisition targets for our use of net proceeds from the Global Offering;

- Approximately 10%, or HK$398.4 million, will be used to further develop our one-stop service platform, among which, (i) approximately 4.0%, or HK$159.3 million, will be used to purchase and upgrade hardware, including upgrading our existing hardware and purchase intelligent terminals to improve our operating efficiency and support our service expansion and purchasing Internet equipment and servers for building a centralized database at our headquarters; (ii) approximately 2.7%, or HK$107.6 million, will be used to fund our resident services and products and promotional activities, including funding the operation of our resident services, promoting our products and services, such as offering discounts on products and services and organizing themed promotional activities, and developing new resident services; (iii) approximately 2.0%, or HK$79.7 million, will be used to develop new software and optimize our existing software, including developing and maintaining our "A-Steward," "A-Business" and "A-Assistant" mobile applications to enhance customer experience and reduce technical risks; and (iv) approximately 1.3%, or HK$51.8 million, will be used to promote our mobile applications, including promotional activities targeting residents that have not registered to use our "A-Steward" mobile application to increase the number of registered users and those targeting local vendors and service providers that have not registered to use our "A-Business" mobile application to expand our sources of services and products. For details, see "Business—Business Strategies—Continue to develop one-stop service platform to optimize our service experience" in this prospectus;

- Approximately 15%, or HK$597.6 million, will be used to develop our "management digitalization, service specialization, procedure standardization and operation automation." For details, see "Business—Business Strategies—Further strengthen the implementation of management digitalization, service specialization, procedure standardization and operation automation" in this prospectus; and

- Approximately 10%, or HK$398.4 million, will be used for working capital and general corporate purpose. We expect to have increasing needs of working capital in 2018 as a result of (i) the organic growth of our business and operations, and (ii) an increase in the GFA of government projects under management due to our continuous efforts to diversify our portfolio of properties under management, such as hospitals, the receivables in connection with the management of which properties generally have longer turnover days.

The above allocation of the proceeds will be adjusted on a *pro rata* basis in the event that the Offer Price is fixed at a higher or lower level compared to the mid-point of the estimated Offer Price Range or that the Over-allotment Option is exercised.

If the Offer Price is fixed at HK$14.20 per Offer Share (being the high end of the Offer Price Range stated in this prospectus) and assuming the Over-allotment Option is not exercised, we will receive net proceeds of approximately HK$4,532.2 million, after deduction of underwriting fees and commissions and estimated expenses payable by us in connection with the Global Offering.

If the Offer Price is fixed at HK$10.80 per Offer Share (being the low end of the Offer Price Range stated in this prospectus) and assuming the Over-allotment Option is not exercised, the net proceeds we receive will be approximately HK$3,435.3 million, after deduction of underwriting fees and commissions and estimated expenses payable by us in connection with the Global Offering.

In the event that the Over-allotment Option is exercised in full, we will receive additional net proceeds ranging from approximately HK$522.7 million (assuming an Offer Price of HK$10.80 per Share, being the low end of the proposed Offer Price Range) to HK$687.2 million (assuming an Offer Price of HK$14.20 per Share, being the high end of the proposed Offer Price Range), after deduction of underwriting fees and commissions and estimated expenses payable by us in connection with the Global Offering.

To the extent that the net proceeds are not immediately applied to the above purposes and to the extent permitted by applicable law and regulations, we intend to apply the net proceeds to short-term demand deposits and/or money market instruments. We will make an appropriate announcement if there is any change to the above proposed use of proceeds or if any amount of the proceeds will be used for general corporate purpose.

HONG KONG UNDERWRITERS

Hong Kong Underwriters

The Hongkong and Shanghai Banking Corporation Limited
Huatai Financial Holdings (Hong Kong) Limited
Morgan Stanley Asia Limited
BNP Paribas Securities (Asia) Limited
ABCI Securities Company Limited
CCB International Capital Limited
ICBC International Securities Limited
China Securities (International) Corporate Finance Company Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, we are initially offering 33,334,000 H Shares (subject to reallocation) for subscription by the public in Hong Kong on, and subject to the terms and conditions set out in this prospectus and the Application Forms.

Subject to:

- the Listing Committee of the Hong Kong Stock Exchange granting approval for the listing of, and permission to deal in, the H Shares to be offered and to be converted from Unlisted Foreign Shares pursuant to the Global Offering as mentioned herein (including any additional H Shares which may be issued pursuant to the exercise of the Over-allotment Option); and
- certain other conditions set out in the Hong Kong Underwriting Agreement (including but not limited to the Offer Price being agreed upon between us and the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters),

the Hong Kong Underwriters have agreed severally but not jointly to subscribe or procure subscribers to subscribe for, or failing which to subscribe for themselves, the Hong Kong Offer Shares which are being offered but not taken up under the Hong Kong Public Offering on the terms and subject to the conditions in this prospectus, the Application Forms and the Hong Kong Underwriting Agreement. If, for any reason, the Offer Price is not agreed between us and the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters), the Global Offering will not proceed.

The Hong Kong Underwriting Agreement is conditional upon and subject to the International Underwriting Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for Termination

The Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) shall be entitled by notice to the Company to terminate the Hong Kong Underwriting Agreement with immediate effect if, at any time prior to 8:00 a.m. on the Listing Date:

(a) there develops, occurs, exists or comes into effect:

(i) any event, series of events or circumstance, in the nature of force majeure (including, without limitation, any acts of government, declaration of a national or international emergency or war, calamity, crisis, epidemic, pandemic, outbreak of disease, economic sanctions, strikes, lock-outs, fire, explosion, flooding, earthquake, volcanic eruption, civil commotion, riots, public disorder, acts of war, any local, national, regional or international outbreak or escalation of hostilities (whether or not war is declared), acts of God or acts of terrorism) in or affecting Hong Kong, the PRC, the United States, the United Kingdom, any member of the European Union or any other jurisdiction relevant to any member of the Group or the Global Offering (collectively, the "**Relevant Jurisdictions**"); or

(ii) any change or development involving a prospective change, or any event or series of events or circumstances likely to result in or representing any change or development involving a prospective change, in local, national, regional or international financial, economic, political, military, industrial, fiscal, regulatory, currency, credit or market conditions or exchange control or any monetary or trading settlement system (including, without limitation, conditions in the stock and bond markets, money and foreign exchange markets, the interbank markets and credit markets) in or affecting any of the Relevant Jurisdictions; or

(iii) any moratorium, suspension or restriction (including, without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) in or on trading in securities generally on the Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market, the London Stock Exchange, the Shanghai Stock Exchange or the Shenzhen Stock Exchange; or

(iv) any general moratorium on commercial banking activities in any of the Relevant Jurisdictions (imposed by the Financial Secretary or the Hong Kong Monetary Authority or other competent administrative, governmental or regulatory commission, board, body, authority or agency, or any stock exchange, self-regulatory organization or other non-governmental regulatory authority, or any court, tribunal or arbitrator, in each case whether national, central, federal, provincial, state, regional, municipal, local, domestic or foreign), or any disruption in commercial banking or foreign exchange trading or securities settlement or clearance services, procedures or matters in any of the Relevant Jurisdictions; or

(v) any new law, or any change or development involving a prospective change or any event or circumstance likely to result in a change or development involving a prospective change in existing laws or in the interpretation or application thereof by any court or other competent authority, in each case, in or affecting any of the Relevant Jurisdictions; or

(vi) the imposition of economic sanctions, or the withdrawal of the trade privileges in whatever form, directly or indirectly, by, or for, any of the Relevant Jurisdictions; or

(vii) a change or development involving a prospective change in taxation, or affecting taxation or exchange control, currency exchange rates or foreign investment regulations (including, without limitation, a change in the system under which the value of the Hong Kong currency is linked to that of the currency of the United States or a material devaluation of the Hong Kong dollar or the Renminbi against any foreign currencies), or the implementation of any exchange control, in any of the Relevant Jurisdictions; or

(viii) any materialization of any of the risks set out in the section entitled "Risk Factors" in this prospectus; or

(ix) save as disclosed in this prospectus, any litigation or claim of any third party being threatened or instigated against any member of the Group or any Director; or

(x) a contravention by any member of the Group of the Listing Rules or applicable laws; or

(xi) a valid demand by any creditor for repayment or payment of any indebtedness of any member of the Group or in respect of which any member of the Group is liable prior to its stated maturity; or

(xii) an order or petition for the winding up of any member of the Group or any composition or arrangement made by any member of the Group with its creditors or a scheme of arrangement entered into by any member of the Group or any resolution for the winding-up of any member of the Group or the appointment of a provisional liquidator, receiver or manager over all or part of the material assets or undertaking of any member of the Group or anything analogous thereto occurring in respect of any member of the Group; or

(xiii) a Director being charged with an indictable offense or prohibited by operation of law or otherwise disqualified from taking part in the management of a company; or

(xiv) an authority or a political body or organization in any of the Relevant Jurisdictions announcing or commencing any investigation or other action, or announcing an intention to investigate or take other action, against any member of the Group; or

(xv) the chairman or chief executive officer of the Company vacating his or her office; or

(xvi) any material loss or damage sustained by any member of the Group (howsoever caused and whether or not subject of any insurance or claim against any person); or

(xvii) non-compliance of this prospectus (or any other documents used in connection with the contemplated offer and sale of the H Shares) or any aspect of the Global Offering with the Listing Rules or any other applicable laws; or

(xviii) the issue or requirement to issue by the Company of any supplement or amendment to the prospectus or post hearing information pack (or to any other documents used in connection with the contemplated offer and sale of the H Shares) pursuant to the Companies (Winding Up and Miscellaneous

Provisions) Ordinance or the Listing Rules or any requirement or request of the Hong Kong Stock Exchange and/or the SFC,

which, individually or in the aggregate, in the sole and absolute opinion of Joint Global Coordinators (for themselves or on behalf of the Hong Kong Underwriters): (i) has or will result or may result in a material adverse change of the assets, liabilities, business, management, general affairs, prospects, shareholders' equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of the Group taken as a whole; or (ii) has or will have or may have a material adverse effect on the success of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of interest under the International Offering; or (iii) makes or will make or may make it inadvisable or inexpedient or impracticable or incapable for the Global Offering to proceed as envisaged or to market the Global Offering or to deliver the Offer Shares on the terms and in the manner contemplated by the prospectus; or

(b) there has come to the notice of the Joint Global Coordinators:

(i) that any statement contained in any of the Hong Kong Public Offering documents and/or in any notices, announcements, the post hearing information pack, communications or other documents issued by or on behalf of the Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto) was, when it was issued, or has become, untrue, incorrect or misleading in any material respect, or that any estimate, forecast, expression of opinion, intention or expectation contained in any of the Hong Kong Public Offering documents and/or any notices, announcements, the post hearing information pack, communications or other documents issued by or on behalf of the Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto) is not, in all material aspects, fair and honest and based on reasonable assumptions; or

(ii) that any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the prospectus date, result in a material misstatement in, or constitute an material omission from any of the Hong Kong Public Offering documents, the post hearing information pack and/or in any notices, announcements, communications or other documents issued or used by or on behalf of the Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto); or

(iii) any material breach of any of the obligations imposed upon the Company, any of the Controlling Shareholders or any indemnifying party under the Hong Kong Underwriting Agreement (other than upon any of the Hong Kong Underwriters); or

(iv) any event, act or omission which gives or is likely to give rise to any liability of any of the indemnifying parties pursuant to the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or

(v) any adverse change, or any development involving a prospective adverse change, in or affecting the assets, liabilities, business, management, general affairs, prospects, shareholders' equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of the Company or any member of the Group; or

(vi) any breach of, or any event or circumstances rendering untrue or incorrect or misleading in any respect, any of the warranties; or

(vii) approval by the Listing Committee of the Stock Exchange of the listing of, and permission to deal in, the H Shares to be issued or sold (including any additional H Shares that may be issued or sold pursuant to the exercise of the Over-allotment Option) under the Global Offering is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld; or

(viii) the Company withdraws the prospectus (and/or any other documents issued or used in connection with the Global Offering) or the Global Offering; or

(ix) any person (other than the Joint Sponsors) has withdrawn or is subject to withdraw its consent to being named in any of the Hong Kong Public Offering documents or to the issue of any of the Hong Kong Public Offering documents; or

(x) a prohibition (either governmental, regulatory, judicial or otherwise) on the Company for whatever reason from offering, allotting, issuing or selling any of the H Shares (including any additional H Shares that may be issued or sold pursuant to the exercise of the Over-allotment Option) pursuant to the terms of the Global Offering.

Undertakings to the Hong Kong Stock Exchange pursuant to the Listing Rules

Undertakings by the Company

Pursuant to Rule 10.08 of the Listing Rules, no further Shares or securities convertible into equity securities of the Company (whether not of a class already listed) may be issued by us or form the subject of any agreement to such an issue by us within six months from the Listing Date (whether or not such issue of Shares or securities will be completed within six months from the commencement of dealing), except:

(a) in certain circumstances prescribed by Rule 10.08 of the Listing Rules; or

(b) pursuant to the Global Offering (including the Over-allotment Option).

Undertaking by the Controlling Shareholders

Pursuant to Rule 10.07 of the Listing Rules, each of the Controlling Shareholders has irrevocably and unconditionally undertaken to the Hong Kong Stock Exchange and to the Company that, except pursuant to the Global Offering (including the Over-allotment Option), it/he/she will not and shall procure that the relevant registered holder(s) controlled by it/him/her will not, without the prior written consent of the Hong Kong Stock Exchange and unless in compliance with the requirements of the Listing Rules:

(a) in the period commencing on the date by reference to which disclosure of its/his/her shareholdings in the Company is made in the prospectus and ending on the date which is six months from the date on which dealings in the H Shares commence on the Hong Kong Stock Exchange, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the securities of the Company in respect of which it/he/she is shown by this prospectus to be the beneficial owners; and

(b) in the period of six months commencing on the date on which the period referred to in paragraph (a) above expires, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the securities referred to in paragraph (a) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, it/he/she would then cease to be a controlling shareholder of the Company for the purposes of the Listing Rules.

In addition, in accordance with Note 3 to Rule 10.07(2) of the Listing Rules, each of the Controlling Shareholders has further irrevocably and unconditionally undertaken to the Hong Kong Stock Exchange and us that, within the period commencing on the date by reference to which disclosure of its/his shareholdings is made in the prospectus and ending on the date which is 12 months from the Listing Date, it/he/she will, when it/he/she pledges or charges any securities of the Company or interests therein beneficially owned by it/him/her in favor of any authorized institution pursuant to Note 2 to Rule 10.07(2) of the Listing Rules, immediately inform the Company of such pledge or charge together with the number of securities so pledged or charged and when it/he/she receives indications, either verbal or written, from the pledgee or chargee that any of the securities of the Company pledged or charged will be disposed of, immediately inform the Company of such indications.

We will also, as soon as we have been informed of the above matters (if any) by any of the Controlling Shareholders, inform the Hong Kong Stock Exchange and disclose such matters as soon as possible by way of an announcement as required under the Listing Rules.

Undertakings to the Hong Kong Underwriters pursuant to the Hong Kong Underwriting Agreement

Undertakings by our Company

Pursuant to the Hong Kong Underwriting Agreement, we have undertaken to each of the Joint Global Coordinators, the Joint Sponsors, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that, except pursuant to the Global Offering (including pursuant to the Over-allotment Option) at any time during the period commencing on the date of the Hong Kong Underwriting Agreement and ending on, and including the date falling six months after the

Listing Date (the "**First Six-Month Period**"), the Company will not, without the prior written consent of the Joint Sponsors and the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the Listing Rules:

(a) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, any equity securities of the Company or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase any equity securities of the Company), or deposit any equity securities of the Company with a depositary in connection with the issue of depositary receipts; or

(b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of any equity securities of the Company or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any equity securities of the Company); or

(c) enter into any transaction with the same economic effect as any transaction described in paragraphs (a) or (b) above; or

(d) offer to or agree to do any of the foregoing or announce any intention to do so,

in each case, whether any of the foregoing transactions is to be settled by delivery of such equity securities, in cash or otherwise (whether or not the issue of such equity securities will be completed within the First-Six Month Period).

The Company further agrees that, in the event that, at any time during the period of six months immediately following the expiry of the First Six-month Period (the "**Second Six-Month Period**"), the Company enters into any of the transactions specified in paragraphs (a), (b) or (c) above or offers to or agrees to or announces any intention to effect any such transaction, the Company shall take all reasonable steps to ensure that it will not create a disorderly or false market in the H Shares or any other securities of the Company.

Undertakings by our Controlling Shareholders

Pursuant to the Hong Kong Underwriting Agreement, each of the Controlling Shareholders has jointly and severally undertaken to each of the Joint Global Coordinators, the Joint Sponsors, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that without the prior written consent of the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the Listing Rules:

(a) at any time during the First Six-Month Period, it/he/she will not:

(i) offer, pledge, charge, sell, contract to sell, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to purchase, grant or purchase any option, warrant, contract or right to sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, any H Shares or any other equity securities of the Company or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any H Shares or any other equity securities of the Company), or

(ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of such H Shares or equity securities of the Company or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any H Shares), or

(iii) enter into any transaction with the same economic effect as any transaction specified in paragraphs (i) or (ii) above, or

(iv) offer to or agree to or announce any intention to effect any transaction specified in paragraphs (i), (ii) or (iii) above,

in each case, whether any of the transactions specified in paragraphs (i), (ii) or (iii) above is to be settled by delivery of H Shares or such other securities of the Company, in cash or otherwise (whether or not the issue of H Shares or other securities will be completed within the First Six-Month Period) , save as provided under Note (2) to Rule 10.07(2) of the Listing Rules and subject always to compliance with the provisions of the Listing Rules; and

(b) it will not, during the Second Six-Month Period, enter into any of the transactions specified in paragraphs (i), (ii) or (iii) above or offer to or agree to or announce any intention to effect any such transaction if, immediately following such transaction or action, it will cease to be a Controlling Shareholder of the Company; and

(c) until the expiry of the Second Six-Month period, in the event that it enters into any of the transactions specified in paragraphs (i), (ii) or (iii) above or offer to or agrees to or announce any intention to effect any such transaction, it will take all reasonable steps to ensure that it will not create a disorderly or false market in the securities of the Company.

Indemnity

We have agreed to indemnify, among others, the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters for certain losses which they may suffer, including, among other matters, losses arising from the performance of their obligations under the Hong Kong Underwriting Agreement and any breach by us of the Hong Kong Underwriting Agreement as the case may be.

Commission and Expenses

The Hong Kong Underwriters will receive an underwriting commission of 2.2% of the aggregate Offer Price payable for the Hong Kong Offer Shares initially offered under the Hong Kong Public Offering, out of which they will pay any sub-underwriting commission. For unsubscribed Hong Kong Offer Shares reallocated to the International Offering, we will pay an underwriting commission at the rate applicable to the International Offering and such commission will be paid to the relevant International Underwriters (but not the Hong Kong Underwriters). The Company may also in its sole discretion pay the Hong Kong Underwriters an additional incentive fee.

Assuming an Offer Price of HK$12.50 per Offer Share (being the mid-point of the indicative Offer Price Range), the aggregate commissions and fees (assuming the full payment discretionary incentive fee and no exercise of the Over-allotment Option), together with Hong Kong Stock Exchange listing fees, SFC transaction levy, Hong Kong Stock Exchange trading fees, legal and other professional fees and printing and other expenses relating to the Global Offering, are estimated to amount in aggregate to approximately RMB151.0 million in total. Such commissions, fees and expenses are payable by the Company.

The commission and expenses were determined after arm's length negotiation between the Company and the Hong Kong Underwriters or other parties by reference to the current market conditions.

Hong Kong Underwriters' Interest in our Company

Save for its obligations under the Hong Kong Underwriting Agreement and as disclosed in this prospectus, none of the Hong Kong Underwriters has any shareholding interests in the Company or any other member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in the Company or any member of the Group.

Following the completion of the Global Offering, the Underwriters and their affiliated companies may hold a certain portion of the H Shares as a result of fulfilling their obligations under the Underwriting Agreements.

The International Offering

In connection with the International Offering, it is expected that we and the Controlling Shareholders will enter into the International Underwriting Agreement with the Joint Global Coordinators, the Joint Bookrunners and the International Underwriters on or around the Price Determination Date, shortly after the determination of the Offer Price. Under the International Underwriting Agreement, the International Underwriters would, subject to certain conditions, severally and not jointly, agree to procure subscribers to subscribe for, or failing which to subscribe for themselves, their respective applicable proportions of the International Offer Shares being offered pursuant to the International Offering which are not taken up under the International Offering.

Restrictions on the Offer Shares

No action has been taken to permit a public offering of the Offer Shares, other than in Hong Kong, or the distribution of this prospectus in any jurisdiction other than Hong Kong.

Accordingly, this prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make an offer or invitation. In particular, the Offer Shares have not been offered or sold, and will not be offered or sold, directly or indirectly, in the PRC.

INDEPENDENCE OF THE JOINT SPONSORS

Each of the Joint Sponsors satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

ACTIVITIES BY SYNDICATE MEMBERS

The underwriters of the Hong Kong Public Offering and the International Offering (together, the "**Syndicate Members**") and their affiliates may each individually undertake a variety of activities (as further described below) which do not form part of the underwriting or stabilizing process.

The Syndicate Members and their affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, trading, hedging, investing and other activities for their own account and for the account of others. In the ordinary course of their various business activities, the Syndicate Members and their respective affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers. Such investment and trading activities may involve or relate to assets, securities and/or instruments of the Company and/or persons and entities with relationships with the Company and may also include swaps and other financial instruments entered into for hedging purposes in connection with the Group's loans and other debt.

In relation to the H Shares, the activities of the Syndicate Members and their affiliates could include acting as agent for buyers and sellers of the H Shares, entering into transactions with those buyers and sellers in a principal capacity, including as a lender to initial purchasers of the H Shares (which financing may be secured by the H Shares) in the Global Offering, proprietary trading in the H Shares, and entering into over the counter or listed derivative transactions or listed or unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have as their underlying assets, assets including the H Shares. Such transactions may be carried out as bilateral agreements or trades with selected counterparties. Those activities may require hedging activity by those entities involving, directly or indirectly, the buying and selling of the H Shares, which may have a negative impact on the trading price of the H Shares. All such activities could occur in Hong Kong and elsewhere in the world and may result in the Syndicate Members and their affiliates holding long and/or short positions in the H Shares, in baskets of securities or indices including the H Shares, in units of funds that may purchase the H Shares, or in derivatives related to any of the foregoing.

In relation to issues by Syndicate Members or their affiliates of any listed securities having the H Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the stock exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in the H Shares in most cases.

All such activities may occur both during and after the end of the stabilizing period described in "Structure of the Global Offering." Such activities may affect the market price or value of the H Shares, the liquidity or trading volume in the H Shares and the volatility of the price of the H Shares, and the extent to which this occurs from day to day cannot be estimated.

It should be noted that when engaging in any of these activities, the Syndicate Members will be subject to certain restrictions, including the following:

(a) the Syndicate Members (other than the Stabilizing Manager or any person acting for it) must not, in connection with the distribution of the Offer Share, effect any transactions (including issuing or entering into any option or other derivative transactions relating to the Offer Share), whether in the open market or otherwise, with a view to stabilizing or maintaining the market price of any of the Offer Share at levels other than those which might otherwise prevail in the open market; and

(b) the Syndicate Members must comply with all applicable laws and regulations, including the market misconduct provisions of the SFO, including the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

Certain of the Syndicate Members or their respective affiliates have provided from time to time, and expect to provide in the future, investment banking and other services to the Company and its affiliates for which such Syndicate Members or their respective affiliates have received or will receive customary fees and commissions.

THE GLOBAL OFFERING

This prospectus is published in connection with the Hong Kong Public Offering as part of the Global Offering.

333,334,000 Offer Shares will be made available under the Global Offering comprising:

(a) the Hong Kong Public Offering of 33,334,000 H Shares (subject to reallocation) in Hong Kong as described in "—The Hong Kong Public Offering" below; and

(b) the International Offering of an aggregate of initially 300,000,000 H Shares (subject to reallocation and the Over-allotment Option) outside the United States (including to professional and institutional investors within Hong Kong) in offshore transactions in reliance on Regulation S and in the United States to Qualified Institutional Buyers, or QIBs, in reliance on Rule 144A pursuant to an exemption from the registration requirements of the U.S. Securities Act, as described in "—The International Offering" below.

Of the 300,000,000 Offer Shares initially being offered under the International Offering, 27,835,340 Offer Shares will be offered under the Preferential Offering to the Qualifying Agile Shareholders as an Assured Entitlement as described in "—The Preferential Offering" below.

Investors may either:

(a) apply for Offer Shares under the Hong Kong Public Offering; or

(b) apply for or indicate an interest for Offer Shares under the International Offering,

but may not do both (except that Qualifying Agile Shareholders who are eligible to apply for the Reserved Shares in the Preferential Offering may also either (i) apply for Hong Kong Offer Shares under the Hong Kong Public Offering, if eligible; or (ii) indicate an interest for International Offer Shares under the International Offering, if qualified to do so).

The Offer Shares will represent approximately 25.00% of the total Shares in issue immediately following the completion of the Global Offering, assuming the Over-allotment Option is not exercised. If the Over-allotment Option is exercised in full, the Offer Shares will represent approximately 27.71% of the total Shares in issue immediately following the completion of the Global Offering and the exercise of the Over-allotment Option.

THE HONG KONG PUBLIC OFFERING

Number of Offer Shares initially offered

The Company is initially offering 33,334,000 Offer Shares for subscription by the public in Hong Kong at the Offer Price, representing 10% of the total number of Offer Shares initially available under the Global Offering. The number of Shares offered under the Hong Kong Public Offering, subject to any reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, will represent approximately 2.50% of the total Shares in issue immediately following the completion of the Global Offering, assuming that the Over-allotment Option is not exercised.

The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions as set out in "—Conditions of the Global Offering" below.

Allocation

Allocation of the Offer Shares to investors under the Hong Kong Public Offering will be based solely on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares validly applied for by applicants. Such allocation could, where appropriate, consist of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares, and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

For allocation purposes only, the total number of the Offer Shares initially available under the Hong Kong Public Offering (after taking account of any reallocation referred to below) is to be divided equally (to the nearest board lot) into two pools: pool A and pool B. The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to applicants who have applied for Hong Kong Offer Shares with an aggregate price of HK$5 million (excluding the brokerage, SFC transaction levy and Hong Kong Stock Exchange trading fee payable) or less. The Hong Kong Offer Shares in pool B will be allocated on an equitable basis to applicants who have applied for Hong Kong Offer Shares with an aggregate price of more than HK$5 million (excluding the brokerage, SFC transaction levy and Hong Kong Stock Exchange trading fee payable) and up to the total value in pool B. Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If any Hong Kong Offer Shares in one (but not both) of the pools are undersubscribed, such unsubscribed Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. For the purpose of this paragraph only, the "price" for the Offer Shares means the price payable on application therefore (without regard to the Offer Price as finally determined). Applicants can only receive an allocation of Hong Kong Offer Shares from either pool A or pool B but not from both pools. Multiple or suspected multiple applications and any application for more than 16,667,000 Hong Kong Offer Shares being 50% of the 33,334,000 Hong Kong Offer Shares initially available under the Hong Kong Public Offering are liable to be rejected.

Reallocation and clawback

The allocation of the Offers Shares between the Hong Kong Public Offering and the International Offering is subject to reallocation. Paragraph 4.2 of Practice Note 18 of the Listing Rules requires a clawback mechanism to put in place which would have the effect of increasing the number of Offer Shares under the Hong Kong Public Offering to a certain percentage of the total number of Offer Shares offered under the Global Offering if certain prescribed total demand levels are reached as further described below:

If the number of Offer Shares validly applied for under the Hong Kong Public Offering represents (i) 15 times or more but less than 50 times, (ii) 50 times or more but less than

100 times, and (iii) 100 times or more of the total number of Shares initially available under the Hong Kong Public Offering, then the Offer Shares will be reallocated to the Hong Kong Public Offering from the International Offering. As a result of such reallocation, the total number of Offer Shares available under the Hong Kong Public Offering will be increased to 100,000,500 Offer Shares (in the case of (i)), 133,334,000 Offer Shares (in the case of (ii)) and 166,667,000 Offer Shares (in the case of (iii)), representing approximately 30%, 40% and 50% of the total number of Offer Shares initially available under the Global Offering, respectively (before any exercise of the Over-allotment Option).

In each case, the additional Offer Shares reallocated to the Hong Kong Public Offering will be allocated between pool A and pool B and the number of Offer Shares allocated to the International Offering will be correspondingly reduced in such manner as the Joint Global Coordinators deem appropriate. In addition, the Joint Global Coordinators may reallocate the Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering.

The Offer Shares to be offered in the Hong Kong Public Offering and the Offer Shares to be offered in the International Offering may, in certain circumstances, be reallocated between these offerings at the discretion of the Joint Global Coordinators.

If the Hong Kong Public Offering is not fully subscribed for, the Joint Global Coordinators have the authority to reallocate all or any unsubscribed Hong Kong Offer Shares to the International Offering, in such proportions as the Joint Global Coordinators deem appropriate.

The Reserved Shares which are offered under the Preferential Offering to Qualifying Agile Shareholders out of the Offer Shares being offered under the International Offering will not be subject to reallocation between the Hong Kong Public Offering and the International Offering.

Applications

Each applicant under the Hong Kong Public Offering will also be required to give an undertaking and confirmation in the application submitted by him that he and any person(s) for whose benefit he is making the application have not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any International Offer Shares under the International Offering. Such applicant's application is liable to be rejected if such undertaking and/or confirmation is/are breached and/or untrue (as the case may be) or it has been or will be placed or allocated International Offer Shares under the International Offering.

The listing of the H Shares on the Hong Kong Stock Exchange is sponsored by the Joint Sponsors. Applicants under the Hong Kong Public Offering are required to pay, on application, the Maximum Offer Price of HK$14.20 per Offer Share in addition to the brokerage, SFC transaction levy and Hong Kong Stock Exchange trading fee payable on each Offer Share. If the Offer Price, as finally determined in the manner described in "—Pricing of the Global Offering" below, is less than the Maximum Offer Price of HK$14.20 per Offer Share, appropriate refund payments (including the brokerage, SFC transaction levy and Hong Kong Stock Exchange trading fee attributable to the surplus application monies) will be made to successful applicants, without interest. Further details are set out below in the section headed "How to Apply for Hong Kong Offer Shares and Reserved Shares" in this prospectus.

THE PREFERENTIAL OFFERING

Basis of the Assured Entitlement

In order to enable Agile Shareholders to participate in the Global Offering on a preferential basis as to allocation only, subject to the Hong Kong Stock Exchange granting approval for the listing of, and permission to deal in, the H Shares on the Main Board and such approval not having been withdrawn and the Global Offering becoming unconditional, Qualifying Agile Shareholders are being invited to apply for an aggregate of 27,835,340 Reserved Shares in the Preferential Offering, representing approximately 9.28% and 8.35% of the Offer Shares initially available under the International Offering and the Global Offering (assuming that the Over-allotment Option is not exercised), respectively, as an Assured Entitlement. The Reserved Shares are being offered out of the International Offer Shares under the International Offering and are not subject to reallocation as described in "—The Hong Kong Public Offering—Reallocation and Clawback" above. In the event the Over-allotment Option is exercised, the number of Reserved Shares will not change.

Each of Mr. Chen Zhuo Lin, Ms. Luk Sin Fong, Fion, Mr. Chan Cheuk Yin, Mr. Chan Cheuk Hung, Mr. Chan Cheuk Hei, Ms. Lu Yanping, Mr. Chan Cheuk Nam, Ms. Chan Siu Na, and Mr. Huang Fengchao, who is a Qualifying Agile Shareholder and a core connected person of the Company, has confirmed to Agile Holdings and the Company that he/she/it and the companies controlled by him/her/it will not participate in the Preferential Offering so as not to affect the Company's ability to satisfy the minimum percentage of public float required for the H Shares upon the Listing. The Reserved Shares which the aforesaid Qualifying Agile Shareholders are entitled to apply for (representing approximately 64.47% of the expected number of Reserved Shares based on the total number of Agile Shares in issue as at the Latest Practicable Date) will be available for application by other Qualifying Agile Shareholders under the Preferential Offering. As such, the number of Reserved Shares that other Qualifying Agile Shareholders may apply for, if they so choose, will be on the basis of one Reserved Share for every integral multiple of 50 Agile Shares held.

The basis of the Assured Entitlement is one Reserved Share for every 50 Agile Shares held by Qualifying Agile Shareholders as at 4:30 p.m. on the Record Date.

Qualifying Agile Shareholders should note that their Assured Entitlement to the Reserved Shares may not represent a full board lot of 250 H Shares. No odd lot matching services will be provided and dealings in odd lots of the H Shares may be at a price below the prevailing market price for full board lots.

The Assured Entitlements of Qualifying Agile Shareholders to Reserved Shares are not transferrable. There will be no trading in nil-paid entitlements on the Hong Kong Stock Exchange.

Qualifying Agile Shareholders who hold less than 50 Agile Shares on the Record Date and therefore will not have an Assured Entitlement to the Reserved Shares will still be entitled to participate in the Preferential Offering by applying only for excess Reserved Shares as further described below.

Basis of Allocation for Applications for Reserved Shares

Qualifying Agile Shareholders may apply for a number of Reserved Shares which is greater than, less than or equal to their Assured Entitlement or may apply only for excess Reserved Shares under the Preferential Offering.

A valid application for a number of Reserved Shares which is less than or equal to a Qualifying Agile Shareholder's Assured Entitlement under the Preferential Offering will be accepted in full, subject to the terms and conditions set out in the **BLUE** Application Forms and assuming the conditions of the Preferential Offering are satisfied.

Where a Qualifying Agile Shareholder applies for a number of Reserved Shares which is greater than the Qualifying Agile Shareholder's Assured Entitlement under the Preferential Offering, the relevant Assured Entitlement will be satisfied in full, subject as mentioned above, but the excess portion of such application will only be satisfied to the extent that there are sufficient Available Reserved Shares as described below.

Where a Qualifying Agile Shareholder applies for excess Reserved Shares only under the Preferential Offering, such application will only be satisfied to the extent that there are sufficient Available Reserved Shares as described below.

Qualifying Agile Shareholders (other than HKSCC Nominees) who intend to apply for less than their Assured Entitlement using the **BLUE** Application Forms for Assured Entitlement or who intend to apply for excess Reserved Shares using the **BLUE** Application Forms for excess Reserved Shares, should apply for a number which is one of the numbers set out in the table of numbers and payments in the **BLUE** Application Form and make a payment of the corresponding amount. If the number of Reserved Shares applied for is not one of the numbers set out in the table, you must calculate the correct amount payable on application by using the formula set out in the **BLUE** Application Form.

To the extent that excess applications for the Reserved Shares are:

(a) less than the Assured Entitlement not taken up by the Qualifying Agile Shareholders (the "**Available Reserved Shares**"), the Available Reserved Shares will first be allocated to satisfy such excess applications for the Reserved Shares in full and thereafter will be allocated, at the discretion of the Joint Global Coordinators, to the International Offering;

(b) equal to the Available Reserved Shares, the Available Reserved Shares will be allocated to satisfy such excess applications for the Reserved Shares in full; or

(c) more than the Available Reserved Shares, the Available Reserved Shares will be allocated on an allocation basis which will be consistent with the allocation basis commonly used in the case of over-subscriptions in public offerings in Hong Kong, where a higher allocation percentage will be applied in respect of smaller applications. If there are any H Shares remaining after satisfying the excess applications, such H Shares will be reallocated, at the discretion of the Joint Global Coordinators, to the International Offering. No preference will be given to any excess applications made to top up odd lot holdings to whole lot holdings of H Shares.

The Preferential Offering will not be subject to the clawback arrangement between the International Offering and the Hong Kong Public Offering.

Beneficial Agile Shareholders (not being Non-Qualifying Agile Shareholders) whose Agile Shares are held by a nominee company should note that the Company will regard the nominee company as a single Agile Shareholder according to the register of members of Agile Holdings. Accordingly, such Beneficial Agile Shareholders whose Agile Shares are held by a nominee company should note that the arrangement under paragraph (c) above will not apply to them individually. Any Beneficial Agile Shareholders (not being Non-Qualifying Agile Shareholders) whose Agile Shares are registered in the name of a nominee, trustee or registered holder in any other capacity should make arrangements with such nominee, trustee or registered holder in relation to applications for Reserved Shares under the Preferential Offering. Any such person is advised to consider whether it wishes to arrange for the registration of the relevant Agile Shares in the name of the beneficial owner prior to the Record Date.

Applications by Qualifying Agile Shareholders for Hong Kong Offer Shares

In addition to any application for Reserved Shares made on the **BLUE** Application Form, Qualifying Agile Shareholders will be entitled to make one application for Hong Kong Offer Shares on **WHITE** or **YELLOW** Application Forms or by giving **electronic application instructions** to HKSCC via CCASS or by applying through the **HK eIPO White Form** service. Qualifying Agile Shareholders will receive no preference as to entitlement or allocation in respect of applications for Hong Kong Offer Shares made on **WHITE** or **YELLOW** Application Forms or by giving **electronic application instructions** to HKSCC or through the **HK eIPO White Form** service under the Hong Kong Public Offering.

Qualifying Agile Shareholders and Non-Qualifying Agile Shareholders

Only Agile Shareholders whose names appeared on the register of members of Agile Holdings on the Record Date and who are not Non-Qualifying Agile Shareholders are entitled to subscribe for the Reserved Shares under the Preferential Offering.

Non-Qualifying Agile Shareholders are those Agile Shareholders with registered addresses in, or who are otherwise known by Agile Holdings to be residents of, jurisdictions outside Hong Kong on the Record Date, in respect of whom the directors of Agile Holdings and the Company, based on the enquiries made by them, consider it necessary or expedient to exclude from the Preferential Offering on account either of the legal restrictions under the laws of the relevant jurisdiction in which the relevant Agile Shareholder is resident or the requirements of the relevant regulatory body or stock exchange in that jurisdiction.

The directors of Agile Holdings and the Company have made enquiries regarding the legal restrictions under the applicable securities legislation of the Specified Territories and the requirements of the relevant regulatory bodies or stock exchanges with respect to the offer of the Reserved Shares to the Agile Shareholders in the Specified Territories. Having considered the circumstances, the directors of Agile Holdings and the Company have formed the view that it is necessary or expedient to restrict the ability of Agile Shareholders in the Specified Territories to take up their Assured Entitlement to the Reserved Shares under the Preferential Offering due to the time and costs involved in the registration or filing of this prospectus and/or approval required by the relevant authorities in those territories and/or additional steps which the

Company and the Agile Shareholders would need to take to comply with the local legal and/or other requirements which would need to be satisfied in order to comply with the relevant local or regulatory requirements in those territories.

Accordingly, for the purposes of the Preferential Offering, the Non-Qualifying Agile Shareholders are:

(a) Agile Shareholders whose names appeared in the register of members of Agile Holdings on the Record Date and whose addresses as shown in such register are in any of the Specified Territories; and

(b) Agile Shareholders or Beneficial Agile Shareholders on the Record Date who are otherwise known by Agile Holdings to be resident in any of the Specified Territories.

Notwithstanding any other provision in this prospectus or the **BLUE** Application Forms, the Company reserves the right to permit any Agile Shareholder to take up his/her/its Assured Entitlement to the Reserved Shares if the Company, in its absolute discretion, is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions described above.

Beneficial Agile Shareholders who hold Agile Shares through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect

Pursuant to Article 23 of the Implementation Rules for Registration, Depository and Clearing Services under the Mainland China-Hong Kong Stock Markets Connect Program (《內地與香港股票市場交易互聯互通機制登記、存管、結算業務實施細則》), CSDCC does not provide services relating to the subscription of newly issued shares. Accordingly, Beneficial Agile Shareholders who hold Agile Shares through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect cannot participate in the Preferential Offering and will not be able to take up their respective Assured Entitlement to the Reserved Shares under the Preferential Offering through the trading mechanism of Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect.

Distribution of this Prospectus and the BLUE Application Forms

BLUE Application Forms have been despatched to all Qualifying Agile Shareholders save for certain core connected persons of the Company who will not participate in the Preferential Offering. In addition, Qualifying Agile Shareholders will receive a copy of this prospectus in the manner in which they have elected, or are deemed to have elected, to receive corporate communications under Agile's corporate communications policy. For further details, see section entitled "How to Apply for Hong Kong Offer Shares and Reserved Shares" in this prospectus.

Application Procedures

The procedures for application under and the terms and conditions of the Preferential Offering are set out in the section headed "How to Apply for Hong Kong Offer Shares and Reserved Shares" in this prospectus and on the **BLUE** Application Forms.

THE INTERNATIONAL OFFERING

Number of Offer Shares initially offered

Subject to reallocation as described above, the International Offering will consist of an offering of initially 300,000,000 Offer Shares, representing 90% of the total number of Offer

Shares initially available under the Global Offering. The Reserved Shares being offered pursuant to the Preferential Offering are being offered out of the International Offer Shares.

Allocation

The International Offering will include selective marketing of Offer Shares to institutional and professional investors and other investors anticipated to have a sizeable demand for such Offer Shares. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities. Allocation of Offer Shares pursuant to the International Offering will be effected in accordance with the "book-building" process described in "—Pricing of the Global Offering" below and based on a number of factors, including the level and timing of demand, the total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further Offer Shares, and/or hold or sell its Offer Shares, after the Listing. Such allocation is intended to result in a distribution of the Offer Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of the Company and the Shareholders as a whole.

The Joint Global Coordinators (on behalf of the Underwriters) may require any investor who has been offered Offer Shares under the International Offering, and who has made an application under the Hong Kong Public Offering to provide sufficient information to the Joint Global Coordinators so as to allow them to identify the relevant application under the Hong Kong Public Offering and to ensure that it is excluded from any application of Offer Shares under the Hong Kong Public Offering.

Reallocation and clawback

The total number of Offer Shares to be issued or sold pursuant to the International Offering may change as a result of the clawback arrangement described in "—The Hong Kong Public Offering" above, the exercise of the Over-allotment Option in whole or in part and/or any reallocation of unsubscribed Offer Shares originally included in the Hong Kong Public Offering.

Over-allotment Option

In connection with the Global Offering, the Company is expected to grant an Over-allotment Option to the International Underwriters exercisable by the Joint Global Coordinators on behalf of the International Underwriters.

Pursuant to the Over-allotment Option, the International Underwriters have the right, exercisable by the Joint Global Coordinators (on behalf of the International Underwriters) at any time from the Listing Date until 30 days after the last date for the lodging of applications under the Hong Kong Public Offering, to require the Company to issue and allot up to 50,000,000 additional Offer Shares, representing 15% of the initial Offer Shares, at the same price per Offer Share under the International Offering to cover, among other things, over-allocation in the International Offering, if any. If the Over-allotment Option is exercised in full, the additional Offer Shares will represent approximately 3.61% of the total Shares in issue immediately following the completion of the Global Offering and the exercise of the Over-allotment Option. In the event that the Over-allotment Option is exercised, an announcement will be made.

STABILIZATION

Stabilization is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilize, the underwriters may bid for, or purchase, the securities in the secondary market, during a specified period of time *inter alia*, to retard and, if possible, prevent, a decline in the market price of the securities below the offer price. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements, including those of Hong Kong. In Hong Kong, the price at which stabilization is effected is not permitted to exceed the offer price.

In connection with the Global Offering, the Stabilizing Manager or any person acting for it, on behalf of the Underwriters, may over-allocate or effect short sales or any other stabilizing transactions with a view to stabilizing or maintaining the market price of the H Shares for a limited period after the Listing Date at a level higher than that which might otherwise prevail in the open market. Short sales involve the sale by the Stabilizing Manager of a greater number of H Shares than the Underwriters are required to purchase in the Global Offering. "Covered" short sales are sales made in an amount not greater than the Over-allotment Option. The Stabilizing Manager may close out the covered short position by either exercising the Over-allotment Option to purchase additional H Shares or purchasing H Shares in the open market. In determining the source of the H Shares to close out the covered short position, the Stabilizing Manager will consider, among others, the price of H Shares in the open market as compared to the price at which they may purchase additional H Shares pursuant to the Over-allotment Option. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or retarding a decline in the market price of the H Shares while the Global Offering is in progress. Any market purchases of the H Shares may be effected on any stock exchange, including the Hong Kong Stock Exchange, any over-the-counter market or otherwise, provided that they are made in compliance with all applicable laws and regulatory requirements. However, there is no obligation on the Stabilizing Manager or any person acting for it to conduct any such stabilizing action, which if taken, (a) will be conducted at the absolute discretion of the Stabilizing Manager or any person acting for it, (b) may be discontinued at any time, and (c) is required to be brought to an end within 30 days after the last day for the lodging of applications under the Hong Kong Public Offering. The number of the Shares that may be over-allocated will not exceed the number of the H Shares that may be issued under the Over-allotment Option, namely, 50,000,000 Offer Shares, which is approximately 15% of the number of Offer Shares initially available under the Global Offering, in the event that the whole or part of the Over-allotment Option is exercised.

In Hong Kong, stabilizing activities must be carried out in accordance with the Securities and Futures (Price Stabilizing) Rules. Stabilizing actions permitted pursuant to the Securities and Futures (Price Stabilizing) Rules include:

(a) over-allocating for the purpose of preventing or minimizing any reduction in the market price of the H Shares;

(b) selling or agreeing to sell the H Shares so as to establish a short position in them for the purpose of preventing or minimizing any deduction in the market price of the H Shares;

(c) subscribing, or agreeing to subscribe, for the H Shares pursuant to the Over-allotment Option in order to close out any position established under (a) or (b) above;

(d) purchasing, or agreeing to purchase, any of the H Shares for the sole purpose of preventing or minimizing any reduction in the market price of the H Shares;

(e) selling or agreeing to sell any H Shares to liquidate any position established as a result of those purchases; and

(f) offering or attempting to do anything described in (b), (c), (d) and (e) above.

Stabilizing actions by the Stabilizing Manager, or any person acting for it, will be entered into in accordance with the laws, rules and regulations in place in Hong Kong on stabilization.

Prospective applications for investors in the Offer Shares should note that:

(a) as a result of effecting transactions to stabilize or maintain the market price of the H Shares, the Stabilizing Manager, or any person acting for it, may maintain a long position in the H Shares;

(b) the size of the long position, and the period for which the Stabilizing Manager, or any person acting for it, will maintain the long position is at the discretion of the Stabilizing Manager and is uncertain;

(c) liquidation of any such long position by the Stabilizing Manager and selling in the open market may lead to a decline in the market price of the H Shares;

(d) no stabilizing action can be taken to support the price of the H Shares for longer than the stabilizing period, which begins on the Listing Date, and is expected to expire on Sunday, March 4, 2018, being the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. After this date, when no further stabilizing action may be taken, demand for the H Shares, and their market price, could fall after the end of the stabilizing period. These activities by the Stabilizing Manager may stabilize, maintain or otherwise affect the market price of the H Shares. As a result, the price of the H Shares may be higher than the price that otherwise may exist in the open market;

(e) any stabilizing action taken by the Stabilizing Manager, or any person acting for it, may not necessarily result in the market price of the H Shares staying at or above the Offer Price either during or after the stabilizing period; and

(f) stabilizing bids or transactions effected in the course of the stabilizing action may be made at a price at or below the Offer Price and therefore at or below the price paid by applicants for, or investors in, the Offer Shares.

An announcement in compliance with the Securities and Futures (Price Stabilizing) Rules will be made within seven days of the expiration of the stabilizing period.

PRICING OF THE GLOBAL OFFERING

The International Underwriters will be soliciting from prospective investors indications of interest in acquiring Offer Shares in the International Offering. Prospective professional and institutional investors will be required to specify the number of Offer Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as "book-building", is expected to continue up to, and to cease on or around, the last day for lodging applications under the Hong Kong Public Offering.

Pricing for the Offer Shares for the purpose of the various offerings under the Global Offering will be fixed on the Price Determination Date, which is expected to be on or around Saturday, February 3, 2018 and in any event on or before Thursday, February 8, 2018, by agreement between the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and the Company and the number of Offer Shares to be allocated under various offerings will be determined shortly thereafter.

The Offer Price will not be more than HK$14.20 per H Share and is expected to be not less than HK$10.80 per H Share unless otherwise announced, as further explained below, not later than the morning of the last day for lodging applications under the Hong Kong Public Offering and the Preferential Offering. **Prospective investors should be aware that the Offer Price to be determined on the Price Determination Date may be, but is not expected to be, lower than the Minimum Offer Price stated in this prospectus.**

The Joint Global Coordinators, for themselves and on behalf of the Underwriters, may, where considered appropriate, based on the level of interest expressed by prospective professional and institutional investors during the book-building process, and with the consent of the Company, reduce the number of Offer Shares offered in the Global Offering and/or the indicative Offer Price Range below that stated in this prospectus at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, the Company will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the last day for lodging applications under the Hong Kong Public Offering and the Preferential Offering, cause to be published in the South China Morning Post (in English), the Hong Kong Economic Times (in Chinese) and on the website of the Hong Kong Stock Exchange (**www.hkexnews.hk**) and on the website of the Company (**www.agileliving.com.cn**) notices of the reduction. Upon issue of such a notice, the number of Offer Shares offered in the Global Offering and/or the revised Offer Price Range will be final and conclusive and the Offer Price, if agreed upon by the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and the Company, will be fixed within such revised Offer Price Range. Applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares being offered under the Global Offering and/or the indicative Offer Price Range may not be made until the day which is the last day for lodging applications under the Hong Kong Public Offering. Such notice will also include confirmation or revision, as appropriate, of the Global Offering statistics as currently set out in this prospectus, and any other financial information which may change as a result of such reduction. In the absence of any such notice so published, the number of Offer Shares will not be reduced and the Offer Price, if agreed upon with the Company and the Joint Global Coordinators, will under no circumstances be set outside the Offer Price Range as stated in this prospectus.

In the event of a reduction in the number of Offer Shares being offered under the Global Offering, the Joint Global Coordinators may at their discretion reallocate the number of Offer Shares to be offered under the Hong Kong Public Offering and the International Offering, provided that the number of H Shares comprised in the Hong Kong Public Offering shall not be less than 10% of the total number of Offer Shares in the Global Offering. The Offer Shares to be offered in the International Offering and the Offer Shares to be offered in the Hong Kong Public Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Joint Global Coordinators,

The Offer Price for H Shares under the Global Offering, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the Preferential Offering, the basis of allocations of the Hong Kong Offer Shares and the Reserved Shares and the results of allocation in the Hong Kong Public Offering and the Preferential Offering are expected to be announced on Thursday, February 8, 2018 through a variety of channels in the manner described in "How to Apply for Hong Kong Offer Shares and Reserved Shares—E. Publication of Results" in this prospectus.

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for Offer Shares will be conditional on:

(i) the Listing Committee granting approval for the listing of, and permission to deal in, the H Shares to be offered pursuant to the Global Offering as mentioned herein (including any additional H Shares which may be issued pursuant to the exercise of the Over-allotment Option) and such approval not having been withdrawn;

(ii) the Offer Price having been duly agreed between the Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters) on the Price Determination Date;

(iii) the execution and delivery of the International Underwriting Agreement on or around the Price Determination Date; and

(iv) the obligations of the Underwriters under each of the respective Underwriting Agreements becoming and remaining unconditional and not having been terminated in accordance with the terms of the respective agreements.

In each case on or before the dates and times specified in the respective Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times) and, in any event, not later than the date which is 30 days after the date of this prospectus.

If, for any reason, the Offer Price is not agreed between the Company and the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) on or before Thursday, February 8, 2018, the Global Offering will not proceed and will lapse.

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, among other things, the other offering becoming unconditional and not having been terminated in accordance with its terms.

If the above conditions are not fulfilled or waived prior to the times and dates specified, the Global Offering will lapse and the Hong Kong Stock Exchange will be notified immediately. Notice of the lapse of the Hong Kong Public Offering will be published by the Company in the

South China Morning Post (in English), the Hong Kong Economic Times (in Chinese) and on the website of the Hong Kong Stock Exchange **(www.hkexnews.hk)** and the website of the Company **(www.agileliving.com.cn)** on the next day following such lapse. In such event, all application monies will be returned, without interest, on the terms set out in section entitled "How to Apply for Hong Kong Offer Shares and Reserved Shares" in this prospectus. In the meantime, all application monies will be held in (a) separate bank account(s) with the receiving banker or other licensed bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) (as amended).

H Share certificates for the Offer Shares are expected to be issued on Thursday, February 8, 2018 but will only become valid certificates of title at 8:00 a.m. on Friday, February 9, 2018 provided that (i) the Global Offering has become unconditional in all respects and (ii) the right of termination as described in "Underwriting—Grounds for Termination" in this prospectus has not been exercised at or before that time.

DEALING IN THE H SHARES

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Friday, February 9, 2018, it is expected that dealings in the H Shares on the Hong Kong Stock Exchange will commence at 9:00 a.m. on Friday, February 9, 2018. The H Shares will be traded in board lots of 250 H Shares each and the stock code of the H Shares will be 3319.

A. APPLICATIONS FOR HONG KONG OFFER SHARES

1. HOW TO APPLY

If you apply for Hong Kong Offer Shares, then you may not apply for or indicate an interest for International Offer Shares (except in respect of Reserved Shares applied for pursuant to the Preferential Offering).

To apply for Hong Kong Offer Shares, you may:

- use a **WHITE** or **YELLOW** Application Form;
- apply online via the **HK eIPO White Form** service at **www.hkeipo.hk**; or
- electronically cause HKSCC Nominees to apply on your behalf.

None of you or your joint applicant(s) may make more than one application, except where you are a nominee and provide the required information in your application.

The Company, the Joint Global Coordinators, the **HK eIPO** White Form Service Provider and their respective agents may reject or accept any application in full or in part for any reason at their discretion.

2. WHO CAN APPLY

You can apply for Hong Kong Offer Shares on a **WHITE** or **YELLOW** Application Form if you or the person(s) for whose benefit you are applying:

- are 18 years of age or older;
- have a Hong Kong address;
- are outside the United States (as defined in Regulation S) or are a person described in paragraph (h)(3) of Rule 902 of Regulation S, and are not a U.S. person (as defined in Regulation S); and
- are not a legal or natural person of the PRC (except qualified domestic institutional investors).

If you apply for Hong Kong Offer Shares online through the **HK eIPO White Form** service, in addition to the above, you must also:

- have a valid Hong Kong identity card number; and
- provide a valid e-mail address and a contact telephone number.

If you are a firm, the application must be in the individual members' names. If you are a body corporate, the Application Form must be signed by a duly authorized officer, who must state his or her representative capacity, and stamped with your corporation's chop.

If an application is made by a person under a power of attorney, the Company and the Joint Global Coordinators, as the Company's agent, may accept it at their discretion and on any conditions they think fit, including evidence of the attorney's authority.

The number of joint applicants may not exceed four and they may not apply by means of the **HK eIPO White Form** service for the Hong Kong Offer Shares.

Unless permitted by the Listing Rules, you cannot apply for any Hong Kong Offer Shares if:

- you are an existing beneficial owner of Shares in the Company and/or any of its subsidiaries;
- you are a Director or chief executive of the Company and/or any of the Company's subsidiaries;
- you are an associate of any of the above persons; or
- you are a connected person of the Company or will become a connected person of the Company immediately upon completion of the Global Offering; or
- you have been allocated or have applied for or indicated an interest in any International Offer Shares or otherwise participated in the International Offering (except in respect of Reserved Shares applied for pursuant to the Preferential Offering).

3. APPLYING FOR HONG KONG OFFER SHARES

Which Application Channel to Use

For Hong Kong Offer Shares to be issued in your own name, use a **WHITE** Application Form or apply online through the **HK eIPO White Form** service at **www.hkeipo.hk**.

For Hong Kong Offer Shares to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to your or a designated CCASS Participant's stock account, use a **YELLOW** Application Form or electronically instruct HKSCC via CCASS to cause HKSCC Nominees to apply for you.

Where to Collect the Application Forms

You can collect a **WHITE** Application Form and a prospectus during normal business hours from 9:00 a.m. on Monday, January 29, 2018 until 12:00 noon on Friday, February 2, 2018 from:

(i) any of the following addresses of the Joint Global Coordinators:

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

Huatai Financial Holdings (Hong Kong) Limited
Unit 5808-12, The Center
99 Queen's Road Central
Hong Kong

Morgan Stanley Asia Limited
46/F, International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

(ii) or any of the following branches of the receiving bank of the Hong Kong Public Offering: Standard Chartered Bank (Hong Kong) Limited

	Branch Name	Address
Hong Kong Island	88 Des Voeux Road, Central Branch	88 Des Voeux Road Central, Central G/F, 1/F, 2/F and 27/F, Two Chinachem Central, 26 Des Voeux Road Central
	Hennessy Road Branch	399 Hennessy Road, Wanchai
	Causeway Bay Branch	G/F to 2/F, Yee Wah Mansion, 38-40A Yee Wo Street, Causeway Bay
	North Point Centre Branch	Shop G, G/F, North Point Centre, 284 King's Road, North Point
Kowloon	Kwun Tong Branch	G/F & 1/F One Pacific Centre, 414 Kwun Tong Road, Kwun Tong
	68 Nathan Road Branch	Basement, Shop B1, G/F Golden Crown Court, 66-70 Nathan Road, Tsimshatsui
	Tsimshatsui Branch	Shop G30 & B117-23, G/F, Mira Place One, 132 Nathan Road, Tsim Sha Tsui
	Cheung Sha Wan Branch	828 Cheung Sha Wan Road, Cheung Sha Wan
New Territories	Tsuen Wan Branch	Shop C, G/F & 1/F, Jade Plaza, 298 Sha Tsui Road, Tsuen Wan
	Yuen Long Fung Nin Road Branch	Shop B at G/F and 1/F, Man Cheong Building, 239-247&247A Castle Peak Road, Yuen Long
	Tai Po Branch	G/F shop No. 2, 23 - 25 Kwong Fuk Road, Tai Po Market, Tai Po

You can collect a **YELLOW** Application Form and a prospectus during normal business hours from 9:00 a.m. on Monday, January 29, 2018 until 12:00 noon on Friday, February 2, 2018 from:

- the Depository Counter of HKSCC at 1/F, One & Two Exchange Square, 8 Connaught Place, Central, Hong Kong; or

- your stockbroker.

Time for Lodging Application Forms

Your completed **WHITE** or **YELLOW** Application Form, together with a check or a banker's cashier order attached and marked payable to "Horsford Nominees Limited — A-Living Services Public Offer" for the payment, should be deposited in the special collection boxes provided at any of the branches of the receiving bank listed above, at the following times:

● Monday, January 29, 2018	9:00 a.m. to 5:00 p.m.
● Tuesday, January 30, 2018	9:00 a.m. to 5:00 p.m.
● Wednesday, January 31, 2018	9:00 a.m. to 5:00 p.m.
● Thursday, February 1, 2018	9:00 a.m. to 5:00 p.m.
● Friday, February 2, 2018	9:00 a.m. to 12:00 noon

The application lists will be open from 11:45 a.m. to 12:00 noon on Friday, February 2, 2018, the last application day or such later time as described in "—D. Effect of Bad Weather on the Opening and Closing of the Application Lists" in this section.

4. TERMS AND CONDITIONS OF AN APPLICATION

Follow the detailed instructions in the **WHITE** or **YELLOW** Application Form carefully; otherwise, your application may be rejected.

By submitting a **WHITE** or **YELLOW** Application Form or applying through the **HK eIPO White Form** service, among other things, you:

(i) undertake to execute all relevant documents and instruct and authorize the Company and/or the Joint Global Coordinators (or their agents or nominees), as agents of the Company, to execute any documents for you and to do on your behalf all things necessary to register any Hong Kong Offer Shares allocated to you in your name or in the name of HKSCC Nominees as required by the Articles of Association;

(ii) agree to comply with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the PRC Company Law, the Special Regulations and the Articles of Association;

(iii) confirm that you have read the terms and conditions and application procedures set out in this prospectus and in the Application Form and agree to be bound by them;

(iv) confirm that you have received and read this prospectus and have relied only on the information and representations contained in this prospectus in making your application and will not rely on any other information or representations except those in any supplement to this prospectus;

(v) confirm that you are aware of the restrictions on the Global Offering set out in this prospectus;

(vi) agree that none of the Company, the Relevant Persons and the **HK eIPO** White Form Service Provider is or will be liable for any information and representations not in this prospectus (and any supplement to it);

(vii) undertake and confirm that you or the person(s) for whose benefit you have made the application have not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any International Offer Shares nor participated in the International Offering (except in respect of Reserved Shares pursuant to the Preferential Offering);

(viii) agree to disclose to the Company, the H Share Registrar, the receiving bank and the Relevant Persons any personal data which they may require about you and the person(s) for whose benefit you have made the application;

(ix) if the laws of any place outside Hong Kong apply to your application, agree and warrant that you have complied with all such laws and none of the Company nor the Relevant Persons will breach any law outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this prospectus and the Application Form;

(x) agree that once your application has been accepted, you may not rescind it because of an innocent misrepresentation;

(xi) agree that your application will be governed by the laws of Hong Kong;

(xii) represent, warrant and undertake that (i) you understand that the Hong Kong Offer Shares have not been and will not be registered under the U.S. Securities Act; and (ii) you and any person for whose benefit you are applying for the Hong Kong Offer Shares are outside the United States (as defined in Regulation S) or are a person described in paragraph (h)(3) of Rule 902 of Regulation S, and are not a U.S. person (as defined in Regulation S);

(xiii) warrant that the information you have provided is true and accurate;

(xiv) agree to accept the Hong Kong Offer Shares applied for or any lesser number allocated to you under the application;

(xv) authorize the Company to place your name(s) or the name of HKSCC Nominees on the Company's H Share register of members as the holder(s) of any Hong Kong Offer Shares allocated to you, and the Company and/or its agents to send any H Share certificate(s) and/or any e-Auto Refund payment instructions and/or any refund check(s) to you or the first-named applicant for joint application by ordinary post at your own risk to the address stated on the application, unless you are eligible to collect the H Share certificate(s) and/or refund check(s) in person;

(xvi) declare and represent that except for an application made by a Qualifying Agile Shareholder under the Preferential Offering, this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying;

(xvii) understand that the Company and the Joint Global Coordinators will rely on your declarations and representations in deciding whether or not to allocate any of the Hong Kong Offer Shares to you and that you may be prosecuted for making a false declaration;

(xviii) (if the application is made for your own benefit) warrant that no other application has been or will be made for your benefit on a **WHITE** or **YELLOW** Application Form or by giving **electronic application instructions** to HKSCC or through the **HK eIPO White Form** service by you or by any one as your agent or by any other person; and

(xix) (if you are making the application as an agent for the benefit of another person) warrant that (i) no other application has been or will be made by you as agent for or for the benefit of that person or by that person or by any other person as agent for that person on a **WHITE** or **YELLOW** Application Form or by giving **electronic application instructions** to HKSCC; and (ii) you have due authority to sign the Application Form or give **electronic application instructions** on behalf of that other person as their agent.

Additional Instructions for YELLOW Application Forms

You may refer to the **YELLOW** Application Form for details.

5. APPLYING THROUGH THE HK eIPO WHITE FORM SERVICE

General

Individuals who meet the criteria in "—2. Who Can Apply" above, may apply through the **HK eIPO White Form** service for the Offer Shares to be allotted and registered in their own names through the designated website at **www.hkeipo.hk**.

Detailed instructions for application through the **HK eIPO White Form** service are on the designated website. If you do not follow the instructions, your application may be rejected and may not be submitted to the Company. If you apply through the designated website, you authorize the **HK eIPO** White Form Service Provider to apply on the terms and conditions in this prospectus, as supplemented and amended by the terms and conditions of the **HK eIPO White Form** service.

Time for Submitting Applications under the HK eIPO White Form

You may submit your application through the **HK eIPO White Form** service at **www.hkeipo.hk** (24 hours daily, except on the last day for applications) from 9:00 a.m. on Monday, January 29, 2018 until 11:30 a.m. on Friday, February 2, 2018 and the latest time for completing full payment of application monies in respect of such applications will be 12:00 noon on Friday, February 2, 2018, the last day for applications, or such later time under "—D. Effect of Bad Weather on the Opening and Closing of the Application Lists" below.

No Multiple Applications

If you apply by means of the **HK eIPO White Form** service, once you complete payment in respect of any electronic application instruction given by you or for your benefit through the **HK eIPO White Form** service to make an application for Hong Kong Offer Shares, an actual application shall be deemed to have been made. For the avoidance of doubt, giving an electronic application instruction under **HK eIPO White Form** more than once and obtaining different application reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

If you are suspected of submitting more than one application through the **HK eIPO White Form** service or by any other means, all of your applications are liable to be rejected.

Section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance

For the avoidance of doubt, the Company and all other parties involved in the preparation of this prospectus acknowledge that each applicant who gives or causes to give electronic application instructions is a person who may be entitled to compensation under Section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

6. APPLYING BY GIVING ELECTRONIC APPLICATION INSTRUCTIONS TO HKSCC VIA CCASS

General

CCASS Participants may give electronic application instructions to apply for the Hong Kong Offer Shares and to arrange payment of the monies due on application and payment of refunds under their participant agreements with HKSCC and the General Rules of CCASS and the CCASS Operational Procedures.

If you are a **CCASS Investor Participant,** you may give these **electronic application instructions** through the CCASS Phone System by calling 2979 7888 or through the CCASS Internet System (**https://ip.ccass.com**) (using the procedures in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time).

HKSCC can also input **electronic application instructions** for you if you go to:

Hong Kong Securities Clearing Company Limited
Customer Service Center
1/F, One & Two Exchange Square
8 Connaught Place, Central
Hong Kong

and complete an input request form.

You can also collect a prospectus from this address.

If you are not a **CCASS Investor Participant**, you may instruct your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give **electronic application instructions** via CCASS terminals to apply for the Hong Kong Offer Shares on your behalf.

You will be deemed to have authorized HKSCC and/or HKSCC Nominees to transfer the details of your application to the Company, the Joint Global Coordinators and the H Share Registrar.

Giving Electronic Application Instructions to HKSCC via CCASS

Where you have given **electronic application instructions** to apply for the Hong Kong Offer Shares and a **WHITE** Application Form is signed by HKSCC Nominees on your behalf:

(i) HKSCC Nominees will only be acting as a nominee for you and is not liable for any breach of the terms and conditions of the **WHITE** Application Form or this prospectus;

(ii) HKSCC Nominees **will** do the following things on your behalf:

- agree that the Hong Kong Offer Shares to be allotted shall be issued in the name of HKSCC Nominees and deposited directly into CCASS for the credit of the CCASS Participant's stock account on your behalf or your CCASS Investor Participant stock account;
- agree to accept the Hong Kong Offer Shares applied for or any lesser number allocated;
- undertake and confirm that you have not applied for or taken up, will not apply for or take up, or indicate an interest for, any Offer Shares under the International Offering;
- (if the electronic application instruction are given for your benefit) declare that only one set of **electronic application instructions** has been given for your benefit;
- (if you are an agent for another person) declare that you have only given one set of **electronic application instructions** for the other person's benefit and are duly authorized to give those instructions as their agent;
- confirm that you understand that the Company, the Directors and the Joint Global Coordinators will rely on your declarations and representations in deciding whether or not to allocate any of the Hong Kong Offer Shares to you and that you may be prosecuted if you make a false declaration;
- authorize the Company to place HKSCC Nominees name on the Company's H Share register of members as the holder of the Hong Kong Offer Shares allocated to you and to send H Share certificate(s) and/or refund monies under the arrangements separately agreed between us and HKSCC;
- confirm that you have read the terms and conditions and application procedures set out in this prospectus and agree to be bound by them;
- confirm that you have received and read a copy of this prospectus and have relied only on the information and representations in this prospectus in causing the application to be made, save as set out in any supplement to this prospectus;
- agree that none of the Company or the Relevant Persons is or will be liable for any information and representations not contained in this prospectus (and any supplement to it);
- agree to disclose to the Company, the H Share Registrar, the receiving bank and the Relevant Persons any personal data which they may require about you;
- agree (without prejudice to any other rights which you may have) that once HKSCC Nominees application has been accepted, it cannot be rescinded for innocent misrepresentation;

- agree that any application made by HKSCC Nominees on your behalf is irrevocable on or before the fifth day after the time of the opening of the application lists (excluding any day which is a Saturday, Sunday or public holiday in Hong Kong), such agreement to take effect as a collateral contract with the Company, and to become binding when you give the instructions and such collateral contract to be in consideration of the Company agreeing that it will not offer any Hong Kong Offer Shares to any person on or before the fifth day after the time of the opening of the application lists (excluding any day which is a Saturday, Sunday or public holiday in Hong Kong), except by means of one of the procedures referred to in this prospectus. However, HKSCC Nominees may revoke the application on or before the fifth day after the time of the opening of the application lists (excluding for this purpose any day which is a Saturday, Sunday or public holiday in Hong Kong) if a person responsible for this prospectus under Section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance gives a public notice under that section which excludes or limits that person's responsibility for this prospectus;

- agree that once HKSCC Nominees' application is accepted, neither that application nor your **electronic application instructions** can be revoked, and that acceptance of that application will be evidenced by the Company's announcement of the results of the Hong Kong Public Offering;

- agree to the arrangements, undertakings and warranties under the participant agreement between you and HKSCC, read with the General Rules of CCASS and the CCASS Operational Procedures, for giving **electronic application instructions** to apply for Hong Kong Offer Shares;

- agree with the Company, for itself and for the benefit of each Shareholder (and so that the Company will be deemed by its acceptance in whole or in part of the application by HKSCC Nominees to have agreed, for itself and on behalf of each of the Shareholders, with each CCASS Participant giving **electronic application instructions**) to observe and comply with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the PRC Company Law, the Special Regulations and the Articles of Association;

- agree that your application, any acceptance of it and the resulting contract will be governed by and construed in accordance with the Laws of Hong Kong;

- agree with the Company, for itself and for the benefit of each shareholder of the Company and each director, supervisor, manager and other senior officer of the Company (and so that the Company will be deemed by its acceptance in whole or in part of this application to have agreed, for itself and on behalf of each shareholder of the Company and each director, supervisor, manager and other senior officer of the Company, with each CCASS Participant giving **electronic application instructions**):

  (a) to refer all differences and claims arising from the Articles of Association of the Company or any rights or obligations conferred or imposed by the PRC Company Law or other relevant laws and administrative regulations concerning the affairs of the Company to arbitration in accordance with the Articles of Association of the Company;

(b) that any award made in such arbitration shall be final and conclusive; and

(c) that the arbitration tribunal may conduct hearings in open sessions and publish its award;

- agree with the Company (for the Company itself and for the benefit of each shareholder of the Company) that H Shares in the Company are freely transferable by their holders; and

- authorize the Company to enter into a contract on its behalf with each director and officer of the Company whereby each such director and officer undertakes to observe and comply with his obligations to shareholders stipulated in the Articles of Association of the Company.

Effect of Giving Electronic Application Instructions to HKSCC via CCASS

By giving **electronic application instructions** to HKSCC or instructing your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give such instructions to HKSCC, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have done the following things. Neither HKSCC nor HKSCC Nominees shall be liable to the Company or any other person in respect of the things mentioned below:

- instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant CCASS Participants) to apply for the Hong Kong Offer Shares on your behalf;

- instructed and authorized HKSCC to arrange payment of the maximum Offer Price, brokerage, SFC transaction levy and the Stock Exchange trading fee by debiting your designated bank account and, in the case of a wholly or partially unsuccessful application and/or if the Offer Price is less than the maximum Offer Price per Offer Share initially paid on application, refund of the application monies (including brokerage, SFC transaction levy and the Hong Kong Stock Exchange trading fee) by crediting your designated bank account; and

- instructed and authorized HKSCC to cause HKSCC Nominees to do on your behalf all the things stated in the **WHITE** Application Form and in this prospectus.

Minimum Purchase Amount and Permitted Numbers

You may give or cause your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give **electronic application instructions** for a minimum of 250 Hong Kong Offer Shares. Instructions for more than 250 Hong Kong Offer Shares must be in one of the numbers set out in the table in the Application Forms. No application for any other number of Hong Kong Offer Shares will be considered and any such application is liable to be rejected.

Time for Inputting Electronic Application Instructions

CCASS Clearing/Custodian Participants can input electronic application instructions at the following times on the following dates:

• Monday, January 29, 2018	9:00 a.m. to 8:30 p.m.(1)
• Tuesday, January 30, 2018	8:00 a.m. to 8:30 p.m.(1)
• Wednesday, January 31, 2018	8:00 a.m. to 8:30 p.m.(1)
• Thursday, February 1, 2018	8:00 a.m. to 8:30 p.m.(1)
• Friday, February 2, 2018	8:00 a.m.(1) to 12:00 noon

Note:

(1) These times are subject to change as HKSCC may determine from time to time with prior notification to CCASS Clearing/Custodian Participants.

CCASS Investor Participants can input **electronic application instructions** from 9:00 a.m. on Monday, January 29, 2018 until 12:00 noon on Friday, February 2, 2018 (24 hours daily, except on the last day for applications).

The latest time for inputting your **electronic application instructions** will be 12:00 noon on Friday, February 2, 2018, the last day for applications or such later time as described in "—D. Effect of Bad Weather on the Opening and Closing of the Application Lists" in this section.

No Multiple Applications

If you are suspected of having made multiple applications or if more than one application is made for your benefit, the number of Hong Kong Offer Shares applied for by HKSCC Nominees will be automatically reduced by the number of Hong Kong Offer Shares for which you have given such instructions and/or for which such instructions have been given for your benefit. Any **electronic application instructions** to make an application for the Hong Kong Offer Shares given by you or for your benefit to HKSCC shall be deemed to be an actual application for the purposes of considering whether multiple applications have been made.

Section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance

For the avoidance of doubt, the Company and all other parties involved in the preparation of this prospectus acknowledge that each CCASS Participant who gives or causes to give **electronic application instructions** is a person who may be entitled to compensation under Section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

Personal Data

The section of the Application Form entitled "Personal Data" applies to any personal data held by the Company, the H Share Registrar, the receiving bank and the Relevant Persons about you in the same way as it applies to personal data about applicants other than HKSCC Nominees.

7. WARNING FOR ELECTRONIC APPLICATIONS

The application for the Hong Kong Offer Shares by giving **electronic application instructions** to HKSCC is only a facility provided to CCASS Participants. Similarly, the application for Hong Kong Offer Shares through the **HK eIPO White Form** service is also only a facility provided by the **HK eIPO** White Form Service Provider to public investors. Such facilities are subject to capacity limitations and potential service interruptions and you are advised not to wait until the last day for applications to make your electronic applications. The Company, the Relevant Persons and the **HK eIPO** White Form Service Provider take no responsibility for such applications and provide no assurance that any CCASS Participant or person applying through the **HK eIPO White Form** service will be allocated any Hong Kong Offer Shares.

To ensure that CCASS Investor Participants can give their **electronic application instructions**, they are advised not to wait until the last minute to input their instructions to the systems. In the event that CCASS Investor Participants have problems connecting to the CCASS Phone System or the CCASS Internet System for submission of electronic application instructions, they should either (i) submit a **WHITE** or **YELLOW** Application Form, or (ii) go to HKSCC's Customer Service Center to complete an input request form for **electronic application instructions** before 12:00 noon on Friday, February 2, 2018, the last day for applications, or such later time as described in "—D. Effect of Bad Weather on the Opening and Closing of the Application Lists" below.

8. HOW MANY APPLICATIONS CAN YOU MAKE

Multiple applications for the Hong Kong Offer Shares are not allowed except by nominees. If you are a nominee, in the box on the Application Form marked "For nominees" you must include:

- an account number; or
- some other identification code,

for each beneficial owner or, in the case of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.

If you are a Qualifying Agile Shareholder applying for Reserved Shares under the Preferential Offering on the **BLUE** Application Form, you may also make one application for Hong Kong Offer Shares either on a **WHITE** or **YELLOW** Application Form or electronically through CCASS (if you are a CCASS Investor Participant or act through a CCASS Clearing or Custodian Participant) or submit an application through the **HK eIPO White Form** service through the designated website at **www.hkeipo.hk**. However, in respect of any application for Hong Kong Offer Shares using the above methods, you will not enjoy the preferential treatment accorded to you under the Preferential Offering as described "Structure of the Global Offering—The Preferential Offering."

All of your applications will be rejected if more than one application on a **WHITE** or **YELLOW** Application Form or by giving **electronic application instructions** to HKSCC or through the **HK eIPO White Form** service, is made for your benefit (including the part of the application made by HKSCC Nominees acting on **electronic application instructions**).

If an application is made by an unlisted company and:

- the principal business of that company is dealing in securities; and
- you exercise statutory control over that company,

then the application will be treated as being for your benefit.

"**Unlisted company**" means a company with no equity securities listed on the Stock Exchange.

"**Statutory control**" means you:

- control the composition of the board of directors of the company;
- control more than half of the voting power of the company; or
- hold more than half of the issued share capital of the company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

B. APPLICATIONS FOR RESERVED SHARES

1. WHO CAN APPLY

Only Agile Shareholders whose names appeared on the register of members of Agile Holdings on the Record Date and who are not Non-Qualifying Agile Shareholders are entitled to subscribe for the Reserved Shares under the Preferential Offering.

Non-Qualifying Agile Shareholders are those Agile Shareholders with registered addresses in, or who are otherwise known by Agile Holdings to be residents of, jurisdictions outside Hong Kong on the Record Date, in respect of whom the directors of Agile Holdings and the Company, based on the enquiries made by them, consider it necessary or expedient to exclude them from the Preferential Offering on account either of the legal restrictions under the laws of the relevant jurisdiction in which the relevant Agile Shareholder is resident or the requirements of the relevant regulatory body or stock exchange in that jurisdiction.

The directors of Agile Holdings and the Company have made enquiries regarding the legal restrictions under the applicable securities legislation of the Specified Territories and the requirements of the relevant regulatory bodies or stock exchanges with respect to the offer of the Reserved Shares to the Agile Shareholders in the Specified Territories. Having considered the circumstances, the directors of Agile Holdings and the Company have formed the view that it is necessary or expedient to restrict the ability of Agile Shareholders in the Specified Territories to take up their Assured Entitlement to the Reserved Shares under the Preferential Offering due to the time and costs involved in the registration or filing of this prospectus and/or approval required by the relevant authorities in those territories and/or additional steps which the Company and the Agile Shareholders would need to take to comply with the local legal and/or other requirements which would need to be satisfied in order to comply with the relevant local or regulatory requirements in those territories.

Accordingly, for the purposes of the Preferential Offering, the Non-Qualifying Agile Shareholders are:

(a) Agile Shareholders whose names appeared in the register of members of Agile Holdings on the Record Date and whose addresses as shown in such register are in any of the Specified Territories; and

(b) Agile Shareholders or Beneficial Agile Shareholders on the Record Date who are otherwise known by Agile Holdings to be resident in any of the Specified Territories.

Notwithstanding any other provision in this prospectus or the **BLUE** Application Forms, the Company reserves the right to permit any Agile Shareholder to take up his/her/its Assured Entitlement to the Reserved Shares if the Company, in its absolute discretion, is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions described above.

With respect to the Specified Territories, Agile Holdings has sent a letter to CCASS Participants (other than CCASS Investor Participants) notifying them that in light of applicable laws and regulations of the Specified Territories, to the extent they hold any Agile Shares on behalf of the Non-Qualifying Agile Shareholders, they are excluded from participating in the Preferential Offering.

Qualifying Agile Shareholders are entitled to apply on the basis of an Assured Entitlement of one Reserved Share for every 50 Agile Shares held by them on the Record Date.

Qualifying Agile Shareholders who hold less than 50 Agile Shares on the Record Date will not have an Assured Entitlement to the Reserved Shares, but they will still be entitled to participate in the Preferential Offering by applying for excess Reserved Shares.

If the applicant is a firm, the application must be in the individual members' names, but not in the name of the firm. If the applicant is a body corporate, the **BLUE** Application Form must be signed by a duly authorized officer, who must state his representative capacity, and stamped with the corporation's chop.

If an application is made by a duly authorized person under a valid power of attorney, the Company and the Joint Global Coordinators, as the Company's agents, may accept it at their discretion, and on any conditions they think fit, including requiring evidence of the attorney's authority. The Company and the Joint Global Coordinators, as the Company's agents, will have full discretion to reject or accept any application, in full or in part, without giving any reason.

You cannot apply for any Reserved Shares if you are:

- an existing beneficial owner of Shares in the Company and/or any of its subsidiaries;
- a Director or chief executive of the Company and/or any of the Company's subsidiaries;
- an associate of any of the above persons;
- a connected person of the Company or will become a connected person of the Company immediately upon completion of the Global Offering; or
- a Non-Qualifying Agile Shareholder.

2. HOW TO APPLY

An application for Reserved Shares under the Preferential Offering may only be made by Qualifying Agile Shareholders using **BLUE** Application Forms which have been despatched to Qualifying Agile Shareholders by the Company.

Qualifying Agile Shareholders may apply for a number of Reserved Shares which is greater than, less than or equal to their Assured Entitlement or may apply only for excess Reserved Shares under the Preferential Offering. Qualifying Agile Shareholders who hold less than 50 Agile Shares on the Record Date and therefore will not have an Assured Entitlement to the Reserved Shares but will still be entitled to participate in the Preferential Offering by applying only for excess Reserved Shares.

A valid application for a number of Reserved Shares which is less than or equal to a Qualifying Agile Shareholder's Assured Entitlement under the Preferential Offering will be accepted in full, subject to the terms and conditions set out in the **BLUE** Application Forms assuming the conditions of the Preferential Offering are satisfied.

Where a Qualifying Agile Shareholder applies for a number of Reserved Shares which is greater than the Qualifying Agile Shareholder's Assured Entitlement under the Preferential Offering, the relevant Assured Entitlement will be satisfied full, subject as mentioned above, but the excess portion of such application will only be satisfied to the extent that there are sufficient Available Reserved Shares as described below.

Where a Qualifying Agile Shareholder applies for excess Reserved Shares only under the Preferential Offering, such application will only be satisfied to the extent that there are sufficient Available Reserved Shares as described below.

Qualifying Agile Shareholders (other than HKSCC Nominees) who intend to apply for less than their Assured Entitlement using the **BLUE** Application Forms for Assured Entitlement or who intend to apply for excess Reserved Shares using the **BLUE** Application Forms for excess Reserved Shares, should apply for a number which is one of the numbers set out in the table of numbers and payments in the **BLUE** Application Form and make a payment of the corresponding amount. If the number of Reserved Shares applied for is not one of the numbers set out in the table, you must calculate the correct amount payable on application by using the formula set out in the **BLUE** Application Form.

To the extent that excess applications for the Reserved Shares are:

(a) less than the Available Reserved Shares, the Available Reserved Shares will first be allocated to satisfy such excess applications for the Reserved Shares in full and thereafter will be allocated, at the discretion of the Joint Global Coordinators, to the International Offering;

(b) equal to the Available Reserved Shares, the Available Reserved Shares will be allocated to satisfy such excess applications for the Reserved Shares in full; or

(c) more than the Available Reserved Shares, the Available Reserved Shares will be allocated on an allocation basis which will be consistent with the allocation basis commonly used in the case of over-subscription in public offerings in Hong Kong, where a higher allocation percentage will be applied in respect of smaller applications. If there are any H Shares remaining after satisfying the excess applications, such H Shares will be reallocated, at the discretion of the Joint Global Coordinators, to the International Offering. No preference will be given to any excess applications made to top up odd lot holdings to whole lot holdings of Shares.

Save for the above, the Preferential Offering will not be subject to the clawback arrangement between the International Offering and the Hong Kong Public Offering.

Qualifying Agile Shareholders who have applied for Reserved Shares under the Preferential Offering on the **BLUE** Application Form, may also make one application either on a **WHITE** or **YELLOW** Application Form, or by giving **electronic application instructions** to HKSCC via CCASS (if you are a CCASS Investor Participant or act through a CCASS Clearing or Custodian Participant) or through the **HK eIPO White Form** service for the Hong Kong Offer Shares in the Hong Kong Public Offering. However, Qualifying Agile Shareholders will receive no preference as to entitlement or allocation in respect of applications for Hong Kong Offer Shares made on **WHITE** or **YELLOW** Application Forms or by giving **electronic application instructions** to HKSCC or through the **HK eIPO White Form** service under the Hong Kong Public Offering.

Persons who held their Agile Shares on the Record Date in CCASS indirectly through a broker/custodian, and wish to participate in the Preferential Offering, should instruct their broker or custodian to apply for the Reserved Shares on their behalf by no later than the deadline set by HKSCC or HKSCC Nominees. In order to meet the deadline set by HKSCC, such persons should check with their broker/custodian for the timing on the processing of their instructions, and submit their instructions to their broker/custodian as required by them. Persons who held their Agile Shares on the Record Date in CCASS directly as a CCASS Investor Participant, and wish to participate in the Preferential Offering, should give their instruction to HKSCC via the CCASS Phone System or CCASS Internet System by no later than the deadline set by HKSCC or HKSCC Nominees.

3. DISTRIBUTION OF THIS PROSPECTUS AND THE BLUE APPLICATION FORMS

BLUE Application Forms have been despatched to all Qualifying Agile Shareholders, save for certain core connected persons of the Company who will not participate in the Preferential Offering, to their address recorded on the register of members of Agile Holdings on the Record Date.

In addition, Qualifying Agile Shareholders will receive a copy of this prospectus in the manner in which they have elected, or are deemed to have elected, to receive corporate communications under Agile Holdings' corporate communications policy.

If a Qualifying Agile Shareholder has elected to receive corporate communications from Agile Holdings in printed form under Agile Holdings' corporate communications policy or has not been asked to elect the means of receiving Agile Holdings' corporate communications, a printed copy of this prospectus in the elected language version(s) (if applicable) will be despatched to such Qualifying Agile Shareholder.

If a Qualifying Agile Shareholder (a) has elected to receive an electronic version of corporate communications or (b) is deemed to have consented to receiving the electronic version of corporate communications from Agile Holdings, an electronic version of this prospectus (which is identical to the printed prospectus) can be accessed and downloaded from the websites of the Company at **www.agileliving.com.cn** and the Stock Exchange at **www.hkexnews.hk** under the section entitled "HKEXnews > Listed Company Information > Latest Listed Company Information."

A Qualifying Agile Shareholder who has elected to receive or is deemed to have consented to receiving the electronic version of this prospectus may at any time request for a printed copy of this prospectus, free of charge, by sending a request in writing to Tricor Investor Services Limited or by email to Tricor Investor Services Limited at **is-enquiries@hk.tricorglobal.com**. Tricor Investor Services Limited will promptly, upon request, send by ordinary post a printed copy of this prospectus to such Qualifying Agile Shareholder, free of charge, although such Qualifying Agile Shareholder may not receive that printed copy of this prospectus before the close of the Hong Kong Public Offering and the Preferential Offering.

Qualifying Agile Shareholders may also obtain a printed copy of this prospectus during normal business hours from any of the designated branches of the receiving bank and the designated offices of each of the Joint Global Coordinators as set out in "—A. Applications for Hong Kong Offer Shares—3. Applying for Hong Kong Offer Shares—Where to Collect the Application Forms."

Qualifying Agile Shareholders who require a replacement **BLUE** Application Form should contact Tricor Investor Services Limited at Level 22, Hopewell Center, 183 Queen's Road East, Hong Kong or on its hotline 2980 1333.

Distribution of this prospectus and/or the **BLUE** Application Forms into any jurisdiction other than Hong Kong may be restricted by law. Persons who come into possession of this prospectus and/or the **BLUE** Application Forms (including, without limitation, agents, custodians, nominees and trustees) should inform themselves of, and observe, any such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, this prospectus should not be distributed, forwarded or transmitted in, into or from any of the Specified Territories with or without the **BLUE** Application Forms, except to Qualifying Agile Shareholders as specified in this prospectus.

Receipt of this prospectus and/or the **BLUE** Application Forms does not and will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this prospectus and/or the **BLUE** Application Forms must be treated as sent for information only and should not be copied or redistributed. Persons (including, without limitation, agents, custodians, nominees and trustees) who receive a copy of this prospectus and/or the **BLUE** Application Forms should not, in connection with the Preferential Offering, distribute or send the same in, into or from, any of the Specified Territories. If the **BLUE** Application Form is received by any person in any such territory, or by his/her/its agent or nominee, he/she/it should not apply for any Reserved Shares unless the directors of Agile and the Company determine that such actions would not violate applicable legal or regulatory requirements. Any person (including, without limitation, agents, custodians, nominees and trustees) who forwards this prospectus and/or the **BLUE** Application Form(s) in, into or from any Specified Territory (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this section.

4. APPLYING BY USING BLUE APPLICATION FORMS

(a) You may choose one of the four options on the **BLUE** Application From when applying for Reserved Shares:

(i) Option 1: apply for a number of Reserved Shares that is equal to your Assured Entitlement.

(ii) Option 2: apply for a number of Reserved Shares up to your Assured Entitlement and excess Reserved Shares.

(iii) Option 3: apply for a number of Reserved Shares that is less than your Assured Entitlement.

(iv) Option 4: Apply for a number of excess Reserved Shares only (e.g. if you hold less than 50 Agile Shares on the Record Date and therefore do not have an Assured Entitlement but are still entitled to participate in the Preferential Offering by applying for excess Reserved Shares).

(b) The **BLUE** Application Form will be rejected by the Company if:

- the **BLUE** Application Form is not completed in accordance with the instructions as stated in the **BLUE** Application Form;
- the **BLUE** Application Form has not been duly signed (only written signatures are acceptable) (or in the case of a joint application, not all applicants have signed);
- in respect of applicants who are corporate entities, the **BLUE** Application Form has not been duly signed (only written signature is acceptable) by an authorized officer or affixed with a company chop;
- the check/banker's cashier order/**BLUE** Application Form is defective;
- the **BLUE** Application Form for either Reserved Shares pursuant to the Assured Entitlement or excess Reserved Shares is not accompanied with a check/banker's cashier order or is accompanied by more than one check/banker's cashier order for each of the application for Assured Entitlement and excess application for Reserved Shares;
- the account name on the check/banker's cashier order is not pre-printed or certified by the issuing bank;
- the banker's cashier order was not issued by a licensed bank in Hong Kong, or did not have the applicant's name certified on the back by a person authorised by the bank;
- the check/banker's cashier order is not drawn on a Hong Kong dollar bank account in Hong Kong;
- the name of the payee indicated on the check/banker's cashier order is not "Horsford Nominees Limited—A-Living Services Public Offer;"
- the check has not been crossed "Account Payee Only;"
- the check was post-dated;
- the applicant's payment is not made correctly or if the applicant pays by check or banker's cashier order the check or banker's cashier order is dishonored on its first presentation;

- the applicant's name/the first applicant's name on the joint application is not the same as the name pre-printed or certified/endorsed by the drawee bank on the check/banker's cashier order;

- any alteration(s) to the application details on the **BLUE** Application Form has or have not been authorized by the signature(s) of the applicant(s);

- the application is completed by pencil;

- the applicant does not fill in all the boxes in the option he/she/it chooses;

- the applicant chooses more than one of the options on the **BLUE** Application Form;

- the Company believes that by accepting the application, the Company would violate the applicable securities or other laws, rules or regulations of the jurisdiction where the **BLUE** Application Form is received or where the applicant's address is located; or

- the Company and the Joint Global Coordinators, and their respective agents or nominees, exercise their discretion to reject or accept any application, or to accept only part of any application. No reasons have to be given for any rejection or acceptance.

(c) If you are applying for a number of Reserved Shares which is equal to your Assured Entitlement (**Option 1**):

- Your application will be rejected by the Company if the amount on your cheque/banker's cashier order does not match with the amount payable in Box B set out in the **BLUE** Application Form.

(d) If you are applying for a number of Reserved Shares up to your Assured Entitlement and excess Reserved Shares (**Option 2**):

- Your application will be rejected if the amount on the cheque/banker's cashier order does not match and is less than the amount payable in relation to your Assured Entitlement applied for in your **BLUE** Application Form.

- Your application for your Assured Entitlement (if any) will be accepted in full but your application for excess Reserved Shares will be rejected if the amount on the cheque/banker's cashier order does not match and is more than the amount payable in relation to your Assured Entitlement applied for but is less than the total amount payable in relation to both your Assured Entitlement applied for and the excess Reserved Shares applied for in your **BLUE** Application Form.

- Your application will be accepted in full if the amount on the cheque/banker's cashier order does not match and is more than the total amount payable in relation to both your Assured Entitlement applied for and the excess Reserved Shares applied for in your **BLUE** Application Form.

(e) If you are applying for a number of Reserved Shares which is less than your Assured Entitlement (**Option 3**):

- You are recommended to apply for Reserved Shares in one of the numbers set out in the table in the **BLUE** Application Form. When the number of Reserved Shares applied for is in one of the numbers set out in the table in the **BLUE** Application Form, your application will be rejected by the Company if the amount on your cheque/banker's cashier order does not match with the corresponding amount payable as set out in the table in the **BLUE** Application Form. When the number of Reserved Shares applied for is not in one of the numbers set out in the table in the **BLUE** Application Form, your application will be rejected by the Company if the amount on your cheque/banker's cashier order does not match with the amount payable calculated by using the formula set out in the **BLUE** Application Form.

(f) If you are applying for a number of excess Reserved Shares only (**Option 4**):

- You are recommended to apply for Reserved Shares in one of the numbers set out in the table in the **BLUE** Application Form. When the number of Reserved Shares applied for is in one of the numbers set out in the table in the **BLUE** Application Form, your application will be rejected by the Company if the amount on your cheque/banker's cashier order does not match with the corresponding amount payable as set out in the table in the **BLUE** Application Form. When the number of Reserved Shares applied for is not in one of the numbers set out in the table in the **BLUE** Application Form, your application will be rejected by the Company if the amount on your cheque/banker's cashier order does not match with the amount payable calculated by using the formula set out in the **BLUE** Application Form.

5. WHEN MAY APPLICATIONS BE MADE

(a) Applications on BLUE Application Form(s)

Your completed **BLUE** Application Form, together with a check or a banker's cashier order attached and marked payable to "Horsford Nominees Limited—A-Living Services Preferential Offer" for the payment, should be deposited in the special collection boxes provided at Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong at the following times:

• Monday, January 29, 2018	9:00 a.m. to 5:00 p.m.
• Tuesday, January 30, 2018	9:00 a.m. to 5:00 p.m.
• Wednesday, January 31, 2018	9:00 a.m. to 5:00 p.m.
• Thursday, February 1, 2018	9:00 a.m. to 5:00 p.m.
• Friday, February 2, 2018	9:00 a.m. to 12:00 noon

Completed **BLUE** Application Forms, together with payment attached, must be lodged by 12:00 noon on Friday, February 2, 2018, the last day for applications, or such later time as described in "—D. Effect of Bad Weather on the Opening and Closing of the Application Lists" below.

(b) Application Lists

The application lists will be open from 11:45 a.m. to 12:00 noon on Friday, February 2, 2018, the last day for applications, or such later time as described in "—D. Effect of Bad Weather on the Opening and Closing of the Application Lists" below.

6. How Many Applications May Be Made

You should refer to "—A. Applications for Hong Kong Offer Shares—8. How Many Applications Can You Make" above for the situations where you may make an application for Hong Kong Offer Shares under the Hong Kong Public Offering in addition to application(s) for Reserved Shares under the Preferential Offering.

7. Additional Terms and Conditions and Instructions

You should refer to the **BLUE** Application Form for details of the additional terms and conditions and instructions which apply to applications for Reserved Shares.

C. HOW MUCH ARE THE HONG KONG OFFER SHARES AND THE RESERVED SHARES

The Maximum Offer Price is HK$14.20 per Offer Share. You must pay the Maximum Offer Price, brokerage of 1.0%, SFC transaction levy of 0.0027% and the Hong Kong Stock Exchange trading fee 0.005% in full upon application for the Hong Kong Offer Shares or Reserved Shares under the terms set out in the Application Forms. This means that for one board lot of 250 Hong Kong Offer Shares or one board lot of 250 Reserved Shares, you will pay HK$3,585.78.

The Application Forms have tables showing the exact amount payable for the number of Offer Shares that may be applied for.

You may submit an application using a **WHITE** or **YELLOW** Application Form or through the **HK eIPO White Form** service in respect of a minimum of 250 Hong Kong Offer Shares. Each application or **electronic application instruction** in respect of more than 250 Hong Kong Offer Shares must be in one of the numbers set out in the table in the Application Form, or as otherwise specified on the designated website at **www.hkeipo.hk**.

For applicants on the **BLUE** Application Form, if the number of Reserved Shares applied for is not one of the numbers set out in the table, you must calculate the correct amount payable on application by using the formula set out in the **BLUE** Application Form.

If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules), and the SFC transaction levy and the Hong Kong Stock Exchange trading fee will be paid to the Hong Kong Stock Exchange (in the case of the SFC transaction levy, collected by the Hong Kong Stock Exchange on behalf of the SFC).

For further details on the Offer Price, see "Structure of the Global Offering—Pricing of the Global Offering."

D. EFFECT OF BAD WEATHER ON THE OPENING AND CLOSING OF THE APPLICATION LISTS

The application lists will not open or close if there is:

- a tropical cyclone warning signal number 8 or above; or
- a "black" rainstorm warning,

in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Friday, February 2, 2018. Instead they will open between 11:45 a.m. and 12:00 noon on the next business day which does not have either of those warnings in Hong Kong in force at any time between 9:00 a.m. and 12:00 noon.

If the application lists do not open and close on Friday, February 2, 2018 or if there is a tropical cyclone warning signal number 8 or above or a "black" rainstorm warning signal in force in Hong Kong that may affect the dates mentioned in *"Expected Timetable,"* an announcement will be made in such event.

E. PUBLICATION OF RESULTS

The Company expects to announce the final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the Preferential Offering and the basis of allocations of the Hong Kong Offer Shares and Reserved Shares on Thursday, February 8, 2018 in the South China Morning Post (in English), the Hong Kong Economic Times (in Chinese) and on the Company's website at **www.agileliving.com.cn** and the website of the Hong Kong Stock Exchange at **www.hkexnews.hk**.

The results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Hong Kong Public Offering and the Preferential Offering will be available at the times and date and in the manner specified below:

- in the announcement to be posted on the Company's website at **www.agileliving.com.cn** and the Hong Kong Stock Exchange's website at **www.hkexnews.hk** by no later than Thursday, February 8, 2018;

- from the designated results of allocations website at **www.tricor.com.hk/ipo/result** with a "search by ID" function on a 24-hour basis from 8:00 a.m. on Thursday, February 8, 2018 to 12:00 midnight on Wednesday, February 14, 2018;

- from the allocation results telephone enquiry line by calling 3691 8488 between 9:00 a.m. and 6:00 p.m. from Thursday, February 8, 2018 to Tuesday, February 13, 2018; and

- in the special allocation results booklets which will be available for inspection during opening hours on Thursday, February 8, 2018 to Monday, February 12, 2018 at the receiving hank's designated branches referred to above.

If the Company accepts your offer to purchase (in whole or in part), which it may do by announcing the basis of allocations and/or making available the results of allocations publicly, there will be a binding contract under which you will be required to purchase the Hong Kong Offer Shares and/or Reserved Shares (as the case may be) if the conditions of the Global Offering are satisfied and the Global Offering is not otherwise terminated. Further details are contained in "Structure of the Global Offering."

You will not be entitled to exercise any remedy of rescission for innocent misrepresentation at any time after acceptance of your application. This does not affect any other right you may have.

F. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOCATED HONG KONG OFFER SHARES AND/OR RESERVED SHARES

You should note the following situations in which the Hong Kong Offer Shares and/or Reserved Shares will not be allocated to you:

(i) If your application is revoked:

By completing and submitting an Application Form or giving **electronic application instructions** to HKSCC or through the **HK eIPO White Form** service, you agree that your application or the application made by HKSCC Nominees on your behalf cannot be revoked on or before the fifth day after the time of the opening of the application lists (excluding for this purpose any day which is a Saturday, Sunday or public holiday in Hong Kong). This agreement will take effect as a collateral contract with the Company.

Your application or the application made by HKSCC Nominees on your behalf may only be revoked on or before such fifth day if a person responsible for this prospectus under Section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance gives a public notice under that section which excludes or limits that person's responsibility for this prospectus.

If any supplement to this prospectus is issued, applicants who have already submitted an application will be notified that they are required to confirm their applications. If applicants have been so notified but have not confirmed their applications in accordance with the procedure to be notified, all unconfirmed applications will be deemed revoked.

If your application or the application made by HKSCC Nominees on your behalf has been accepted, it cannot be revoked. For this purpose, acceptance of applications which are not rejected will be constituted by notification in the press of the results of allocation, and where such basis of allocation is subject to certain conditions or provides for allocation by ballot, such acceptance will be subject to the satisfaction of such conditions or results of the ballot respectively.

(ii) If the Company or its agents exercise their discretion to reject your application:

The Company, the Joint Global Coordinators, the **HK eIPO** White Form Service Provider and their respective agents and nominees have full discretion to reject or accept any application, or to accept only part of any application, without giving any reasons.

(iii) If the allocation of Hong Kong Offer Shares and/or Reserved Shares is void:

The allocation of Hong Kong Offer Shares and/or Reserved Shares will be void if the Listing Committee of the Stock Exchange does not grant permission to list the H Shares either:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Listing Committee notifies the Company of that longer period within three weeks of the closing date of the application lists.

(iv) If:

- you make multiple applications or are suspected of making multiple applications (other than an application (if any) made on the **BLUE** Application Form in your capacity as a Qualifying Agile Shareholder);

- you or the person for whose benefit you are applying have applied for or taken up, or indicated an interest for, or have been or will be placed or allocated (including conditionally and/or provisionally) Hong Kong Offer Shares and International Offer Shares (except in respect for Reserved Shares applied for pursuant to the Preferential Offering);

- your Application Form is not completed in accordance with the stated instructions;

- your **electronic application instructions** through the **HK eIPO White Form** service are not completed in accordance with the instructions, terms and conditions on the designated website at **www.hkeipo.hk**;

- your payment is not made correctly or the check or banker's cashier order paid by you is dishonored upon its first presentation;

- the Underwriting Agreements do not become unconditional or are terminated;

- the Company or the Joint Global Coordinators believes or believe that by accepting your application, it or they would violate applicable securities or other laws, rules or regulations; or

- your application is for more than 50% of the Hong Kong Offer Shares initially offered under the Hong Kong Public Offering.

G. REFUND OF APPLICATION MONIES

If an application is rejected, not accepted or accepted in part only, or if the Offer Price as finally determined is less than the Maximum Offer Price of HK$14.20 per Offer Share (excluding brokerage, SFC transaction levy and the Hong Kong Stock Exchange trading fee thereon) paid on application, or if the conditions of the Global Offering as set out in "Structure of the Global Offering—Conditions of the Global Offering" are not satisfied or if any application is revoked, the application monies, or the appropriate portion thereof, together with the related brokerage, SFC transaction levy and the Hong Kong Stock Exchange trading fee, will be refunded, without interest or the check or banker's cashier order will not be cleared.

Any refund of your application monies will be made on or before Thursday, February 8, 2018.

H. DESPATCH/COLLECTION OF H SHARE CERTIFICATES AND REFUND MONIES

You will receive one H Share certificate for all Hong Kong Offer Shares allotted to you under the Hong Kong Public Offering (except pursuant to applications made on **YELLOW** Application Forms or by **electronic application instructions** to HKSCC via CCASS where the H Share certificates will be deposited into CCASS as described below) and one H Share certificate for all Reserved Shares allocated to you under the Preferential Offering.

No temporary document of title will be issued in respect of the H Shares. No receipt will be issued for sums paid on application. If you apply by **WHITE**, **YELLOW** or **BLUE** Application Form(s), subject to personal collection as mentioned below, the following will be sent to you (or, in the case of joint applicants, to the first-named applicant) by ordinary post, at your own risk, to the address specified on the Application Form:

- H Share certificate(s) for all the Hong Kong Offer Shares and/or Reserved Shares allotted to you (for **YELLOW** Application Forms, H Share certificates will be deposited into CCASS as described below); and

- refund check(s) crossed "Account Payee Only" in favor of the applicant (or, in the case of joint applicants, the first-named applicant) for (i) all or the surplus application monies for the Hong Kong Offer Shares and/or Reserved Shares, wholly or partially unsuccessfully applied for; and/or (ii) the difference between the Offer Price and the Maximum Offer Price per Offer Share paid on application in the event that the Offer Price is less than the Maximum Offer Price (including brokerage of 1.0%, SFC transaction levy of 0.0027% and the Hong Kong Stock Exchange trading fee of 0.005% but without interest). Part of the Hong Kong identity card number/passport number, provided by you or the first-named applicant (if you are joint applicants), may be printed on your refund check, if any. Your banker may require verification of your Hong Kong identity card number/passport number before encashment of your refund check(s). Inaccurate completion of your Hong Kong identity card number/passport number may invalidate or delay encashment of your refund check(s).

Subject to arrangement on despatch/collection of H Share certificates and refund monies as mentioned below, any refund checks and H Share certificates are expected to be posted on or before Thursday, February 8, 2018. The right is reserved to retain any H Share certificate(s) and any surplus application monies pending clearance of check(s) or banker's cashier's order(s).

H Share certificates will only become valid at 8:00 a.m. Friday, February 9, 2018, provided that the Global Offering has become unconditional in all respects at or before that time and the right of termination described in the section entitled "Underwriting" has not been exercised. Investors who trade shares prior to the receipt of H Share certificates or the H Share certificates becoming valid do so entirely at their own risk.

Personal Collection

(i) If you apply using a WHITE or BLUE Application Form

If you apply for (i) 1,000,000 or more Hong Kong Offer Shares on a **WHITE** Application Form or (ii) 1,000,000 or more Reserved Shares on a **BLUE** Application Form and have provided all information required by your Application Form, you may collect your refund check(s) and/or H Share certificate(s) (where applicable) from the H Share Registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Thursday, February 8, 2018 or such other place or date as notified by us in the newspaper.

If you are an individual who is eligible for personal collection, you must not authorize any other person to collect for you. If you are a corporate applicant which is eligible for personal collection, your authorized representative must provide a letter of authorization from your corporation stamped with your corporation's chop. Both individuals and authorized representatives must produce, at the time of collection, evidence of identity acceptable to the H Share Registrar.

If you do not collect your refund check(s) and/or H Share certificate(s) (where applicable) personally within the time specified for collection, it/they will be despatched promptly to the address specified in your Application Form by ordinary post at your own risk.

If you apply for (i) less than 1,000,000 Hong Kong Offer Shares on a **WHITE** Application Form or (ii) less than 1,000,000 Reserved Shares on a **BLUE** Application Form, your refund check(s) and/or H Share certificate(s) (where applicable) will be sent to the address specified in your Application Form on or before Thursday, February 8, 2018, by ordinary post and at your own risk.

(ii) If you apply using a YELLOW Application Form

If you apply for 1,000,000 or more Hong Kong Offer Shares and have provided all information required by your Application Form, please follow the same instructions as described above for collection of your refund cheque(s). If you have applied for less than 1,000,000 Hong Kong Offer Shares, your refund check(s) will be sent to the address specified in the Application Form on or before Thursday, February 8, 2018, by ordinary post and at your own risk.

If you apply by using a **YELLOW** Application Form and your application is wholly or partially successful, your H Share certificate(s) will be issued in the name of HKSCC Nominees and deposited into CCASS for credit to your or the designated CCASS Participant's stock account as stated in your Application Form on Thursday, February 8, 2018, or in the event of a contingency, on any other date determined by HKSCC or HKSCC Nominees.

- **If you apply through a designated CCASS Participant (other than a CCASS Investor Participant)**

For Hong Kong Offer Shares credited to your designated CCASS Participant stock account (other than a CCASS Investor Participant), you can check the number of Hong Kong Offer Shares allotted to you with that CCASS Participant.

- **If you are applying as a CCASS Investor Participant**

The Company expects to publish the results of CCASS Investor Participants applications together with the results of the Hong Kong Public Offering on Thursday, February 8, 2018 in the manner described in "—E. Publication of Results" above. You should check the announcement published by the Company and report any discrepancies to HKSCC before 5:00 p.m. on Thursday, February 8, 2018 or any other date as determined by HKSCC or HKSCC Nominees. Immediately after the credit of the Hong Kong Offer Shares to your stock account, you can check your new account balance via the CCASS Phone System and CCASS Internet System. HKSCC will also make available to you an activity statement showing the number of Hong Kong Offer Shares credited to your CCASS Investor Participant stock account.

(iii) If you apply through the HK eIPO White Form service

If you apply for 1,000,000 or more Hong Kong Offer Shares through the **HK eIPO White Form** service, and your application is wholly or partially successful, you may collect your H Share certificate(s) (where applicable) in person from the H Share Registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Thursday, February 8, 2018, or such other date as notified by the

Company in the newspaper as the date of despatch/collection of H Share certificates/e-Auto Refund payment instructions/refund checks.

If you do not collect your H Share certificate(s) personally within the time specified for collection, it/they will be sent to the address specified in your application instructions by ordinary post at your own risk.

If you apply for less than 1,000,000 Hong Kong Offer Shares through the **HK eIPO White Form** service, your H Share certificate(s) (where applicable) will be sent to the address specified in your application instructions on or before Thursday, February 8, 2018 by ordinary post at your own risk.

If you apply and pay the application monies from a single bank account, any refund monies will be despatched to that bank account in the form of e-Auto Refund payment instructions. If you apply and pay the application monies from multiple bank accounts, any refund monies will be despatched to the address as specified in your application instructions in the form of refund check(s) by ordinary post at your own risk.

(iv) If you apply via Electronic Application Instructions to HKSCC

Allocation of Hong Kong Offer Shares

- For the purposes of allocating Hong Kong Offer Shares, HKSCC Nominees will not be treated as an applicant. Instead, each CCASS Participant who gives **electronic application instructions** or each person for whose benefit instructions are given will be treated as an applicant.

Deposit of H Share Certificates into CCASS and Refund of Application Monies

- If your application is wholly or partially successful, your H Share certificate(s) will be issued in the name of HKSCC Nominees and deposited into CCASS for the credit of your designated CCASS Participant's stock account or your CCASS Investor Participant stock account on Thursday, February 8, 2018, or, on any other date determined by HKSCC or HKSCC Nominees.

- The Company expects to publish the application results of CCASS Participants (and where the CCASS Participant is a broker or custodian, the Company will include information relating to the relevant beneficial owner), your Hong Kong identity card number/passport number or other identification code (Hong Kong business registration number for corporations) and the basis of allocations of the Hong Kong Public Offering in the manner specified in "—E. Publication of Results" above on Thursday, February 8, 2018. You should check the announcement published by the Company and report any discrepancies to HKSCC before 5:00 p.m. on Thursday, February 8, 2018 or such other date as determined by HKSCC or HKSCC Nominees.

- If you have instructed your broker or custodian to give **electronic application instructions** on your behalf, you can also check the number of Hong Kong Offer Shares allocated to you and the amount of refund monies (if any) payable to you with that broker or custodian.

- If you have applied as a CCASS Investor Participant, you can also check the number of Hong Kong Offer Shares allocated to you and the amount of refund monies (if any) payable to you via the CCASS Phone System and the CCASS Internet System (under the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time) on Thursday, February 8, 2018. Immediately following the credit of the Hong Kong Offer Shares to your stock account and the credit of refund monies to your bank account, HKSCC will also make available to you an activity statement showing the number of Hong Kong Offer Shares credited to your CCASS Investor Participant stock account and the amount of refund monies (if any) credited to your designated bank account.

- Refund of your application monies (if any) in respect of wholly and partially unsuccessful applications and/or difference between the Offer Price and the maximum Offer Price per Offer Share initially paid on application (including brokerage, SFC transaction levy and the Hong Kong Stock Exchange trading fee but without interest) will be credited to your designated bank account or the designated bank account of your broker or custodian on Thursday, February 8, 2018.

I. ADMISSION OF THE SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the H Shares on the Stock Exchange and we comply with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or any other date as determined by HKSCC. Settlement of transactions between Exchange Participants (as defined in the Listing Rules) is required to take place in CCASS on the second Business Day after any trading day.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Investors should seek the advice of their stockbroker or other professional advisor for details of the settlement arrangement as such arrangements may affect their rights and interests.

All necessary arrangements have been made enabling the H Shares to be admitted into CCASS.

The following is the text of a report set out on pages I-1 to I-3, received from the Company's reporting accountant, PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus. It is prepared and addressed to the directors of the Company and to the Joint Sponsors pursuant to the requirements of HKSIR 200 Accountants' Reports on Historical Financial Information in Investment Circulars issued by the Hong Kong Institute of Certified Public Accountants.

pwc 羅兵咸永道

ACCOUNTANT'S REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF A-LIVING SERVICES CO., LTD. AND HSBC CORPORATE FINANCE (HONG KONG) LIMITED AND HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED

Introduction

We report on the historical financial information of A-Living Services Co., Ltd. (the "Company", formerly known as "Agile Property Management Service Co., Ltd.") and its subsidiaries (together, the "Group") set out on pages I-4 to I-71 which comprises the consolidated balance sheets as at December 31, 2014, 2015 and 2016 and September 30, 2017, the company balance sheets as at December 31, 2014, 2015 and 2016 and September 30, 2017, and the consolidated statements of comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for each of the periods then ended (the "Relevant Periods") and a summary of significant accounting policies and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages I-4 to I-71 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated January 29, 2018 (the "Prospectus") in connection with the initial listing of H shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of presentation and preparation set out in Notes 2 and 3.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountant's responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200, *Accountants' Reports on Historical Financial Information in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the

PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

reporting accountant's judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountant considers internal control relevant to the entity's preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of presentation and preparation set out in Notes 2 and 3.1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion the Historical Financial Information gives, for the purposes of the accountant's report, a true and fair view of the financial position of the Company as at December 31, 2014, 2015 and 2016 and September 30, 2017 and the consolidated financial position of the Group as at December 31, 2014, 2015 and 2016 and September 30, 2017 and of its consolidated financial performance and its consolidated cash flows for the Relevant Periods in accordance with the basis of presentation and preparation set out in Notes 2 and 3.1 to the Historical Financial Information.

Review of stub period comparative financial information

We have reviewed the stub period comparative financial information of the Group which comprises the consolidated statements of comprehensive income, changes in equity and cash flows for the nine months ended September 30, 2016 and other explanatory information (the "Stub Period Comparative Financial Information"). The directors of the Company are responsible for the preparation and presentation of the Stub Period Comparative Financial Information in accordance with the basis of presentation and preparation set out in Notes 2 and 3.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Comparative Financial Information, for the purposes of the accountant's report, is not prepared, in all material respects, in accordance with the basis of presentation and preparation set out in Notes 2 and 3.1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

Dividends

We refer to Note 27 to the Historical Financial Information which contains information about the dividends paid by the Company in respect of the Relevant Periods.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong
January 29, 2018

I HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountant's report.

The financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by PricewaterhouseCoopers in accordance with Hong Kong Standards on Auditing issued by the HKICPA ("Underlying Financial Statements").

The Historical Financial Information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand ("RMB'000") except when otherwise indicated.

Consolidated statements of comprehensive income

	Note	Year ended December 31, 2014	2015	2016	Nine months ended September 30, 2016	2017
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Revenue	7	826,099	934,412	1,244,735	871,810	1,168,868
Cost of sales	7, 8	(727,279)	(785,597)	(933,088)	(656,547)	(785,699)
Gross profit		98,820	148,815	311,647	215,263	383,169
Selling and marketing expenses	8	(6,830)	(8,810)	(19,057)	(10,318)	(21,664)
Administrative expenses	8	(31,694)	(51,681)	(78,692)	(46,004)	(103,152)
Other income		3,276	2,088	4,802	3,303	8,167
Other expenses		(471)	(2,258)	(1,331)	(455)	(477)
Other (losses)/gains — net	10	(260)	(327)	(219)	(17)	12
Operating profit		62,841	87,827	217,150	161,772	266,055
Finance income — net	11	1,010	11,581	14,606	11,601	4,279
Profit before income tax		63,851	99,408	231,756	173,373	270,334
Income tax expenses	13	(17,188)	(27,377)	(62,710)	(45,750)	(69,368)
Profit and total comprehensive income for the year/period		46,663	72,031	169,046	127,623	200,966
Profit and total comprehensive income attributable to:						
— Owners of the Company		41,604	64,966	160,670	121,891	190,119
— Non-controlling interests	12	5,059	7,065	8,376	5,732	10,847
		46,663	72,031	169,046	127,623	200,966
Earnings per share (expressed in RMB per share)						
— **Basic and diluted earnings per share**	14	0.06	0.09	0.22	0.17	0.25

Consolidated balance sheets

	Note	As at December 31, 2014	As at December 31, 2015	As at December 31, 2016	As at September 30, 2017
		RMB'000	RMB'000	RMB'000	RMB'000
Assets					
Non-current assets					
Property, plant and equipment	15	65,593	61,740	61,603	67,500
Other intangible assets	16	3,163	3,483	10,738	108,975
Goodwill	16	—	—	—	918,967
Deferred income tax assets	26	5,401	8,496	16,672	13,792
Loans and interest receivables due from related parties	20	784,110	586,100	630,666	—
		858,267	659,819	719,679	1,109,234
Current assets					
Inventories	18	51,181	33,303	24,261	18,002
Trade and other receivables	19	475,500	342,407	223,116	816,006
Loans and interest receivables due from related parties	20	11,303	10,799	405,334	13,248
Cash and cash equivalents		207,101	204,374	523,163	327,762
Restricted cash	21	2,080	3,290	3,304	3,613
		747,165	594,173	1,179,178	1,178,631
Total assets		1,605,432	1,253,992	1,898,857	2,287,865
Equity					
Equity attributable to owners of the Company					
Share capital	22	50,000	50,000	50,000	1,000,000
Reserves	23	64,366	64,366	105,497	361,598
(Accumulated losses)/retained earnings		(91,837)	(26,871)	124,144	10,746
		22,529	87,495	279,641	1,372,344
Non-controlling interests		8,400	15,465	23,841	484
Total equity		30,929	102,960	303,482	1,372,828
Liabilities					
Non-current liabilities					
Borrowings	25	605,110	442,100	595,592	—
Deferred income tax liabilities	26	73	60	99	22,992
		605,183	442,160	595,691	22,992
Current liabilities					
Trade and other payables	24	778,918	528,918	761,306	852,549
Current income tax liabilities		11,402	35,954	38,585	39,496
Borrowings	25	179,000	144,000	199,793	—
		969,320	708,872	999,684	892,045
Total Liabilities		1,574,503	1,151,032	1,595,375	915,037
Total equity and liabilities		1,605,432	1,253,992	1,898,857	2,287,865

Balance sheets of the Company

	Note	As at December 31, 2014	As at December 31, 2015	As at December 31, 2016	As at September 30, 2017
		RMB'000	RMB'000	RMB'000	RMB'000
Assets					
Non-current assets					
Property, plant and equipment	15	61,671	58,880	57,450	59,963
Other intangible assets		2,695	3,089	3,050	3,047
Deferred income tax assets		1,848	4,334	11,026	7,471
Investments in subsidiaries	12	—	—	1,010	1,017,965
Loans and interest receivables due from related parties	20	—	—	630,666	—
		66,214	66,303	703,202	1,088,446
Current assets					
Inventories	18	50,040	32,271	23,314	16,032
Trade and other receivables	19	406,297	293,921	182,211	632,467
Loans and interest receivables due from related parties	20	—	—	405,334	13,248
Cash and cash equivalents		104,243	169,490	419,547	263,855
Restricted cash		78	81	82	384
		560,658	495,763	1,030,488	925,986
Total assets		626,872	562,066	1,733,690	2,014,432
Equity					
Equity attributable to owners of the Company					
Share capital	22	50,000	50,000	50,000	1,000,000
Reserves	23	49,347	49,347	63,097	326,054
(Accumulated losses)/retained earnings		(88,159)	(45,313)	81,639	24,308
Total equity		11,188	54,034	194,736	1,350,362
Liabilities					
Non-current liabilities					
Borrowings	25	—	—	595,592	—
Current liabilities					
Trade and other payables	24	606,485	479,124	709,659	638,144
Current income tax liabilities		9,199	28,908	33,910	25,926
Borrowings	25	—	—	199,793	—
		615,684	508,032	943,362	664,070
Total Liabilities		615,684	508,032	1,538,954	664,070
Total equity and liabilities		626,872	562,066	1,733,690	2,014,432

Consolidated statements of changes in equity

	Note	Share capital	Reserves	(Accumulated losses)/ Retained earnings	Total	Non-controlling interests	Total equity
		Attributable to owners of the Company					
		RMB'000 (Note 22)	RMB'000 (Note 23)	RMB'000	RMB'000	RMB'000	RMB'000
Balance at January 1, 2014		50,000	64,032	(133,107)	(19,075)	3,341	(15,734)
Comprehensive income							
Profit for the year		—	—	41,604	41,604	5,059	46,663
		—	—	41,604	41,604	5,059	46,663
Transactions with owners of the Company							
Appropriation of statutory reserves	23(b)	—	334	(334)	—	—	—
		—	334	(334)	—	—	—
Balance at December 31, 2014		50,000	64,366	(91,837)	22,529	8,400	30,929
Balance at January 1, 2015		50,000	64,366	(91,837)	22,529	8,400	30,929
Comprehensive income							
Profit for the year		—	—	64,966	64,966	7,065	72,031
		—	—	64,966	64,966	7,065	72,031
Balance at December 31, 2015		50,000	64,366	(26,871)	87,495	15,465	102,960
Balance at January 1, 2016		50,000	64,366	(26,871)	87,495	15,465	102,960
Comprehensive income							
Profit for the year		—	—	160,670	160,670	8,376	169,046
		—	—	160,670	160,670	8,376	169,046
Transactions with owners of the Company							
Capital contribution from the then shareholders		—	15,500	—	15,500	—	15,500
Contribution from a related party	23(c)	—	15,976	—	15,976	—	15,976
Appropriation of statutory reserves	23(b)	—	9,655	(9,655)	—	—	—
		—	41,131	(9,655)	31,476	—	31,476
Balance at December 31, 2016		50,000	105,497	124,144	279,641	23,841	303,482

	Note	Attributable to owners of the Company				Non-controlling interests	Total equity
		Share capital	Reserves	(Accumulated losses)/ Retained earnings	Total		
		RMB'000 (Note 22)	RMB'000 (Note 23)	RMB'000	RMB'000	RMB'000	RMB'000
Balance at January 1, 2017		50,000	105,497	124,144	279,641	23,841	303,482
Comprehensive income							
Profit for the period		—	—	190,119	190,119	10,847	200,966
		—	—	190,119	190,119	10,847	200,966
Transactions with owners of the Company							
Capital contribution from the then shareholders		—	1,000	—	1,000	—	1,000
Dividends	27	—	—	(269,605)	(269,605)	(28,370)	(297,975)
Effect of the Company's conversion from a limited liability company into a joint stock company	22(a)	—	5,103	(5,103)	—	—	—
Transaction with non-controlling interests (the "NCI")	23(d)	—	4,944	—	4,944	(6,324)	(1,380)
Effect of the Reorganization of the Group	23(d)	—	(32,392)	—	(32,392)	—	(32,392)
Capital contribution from the NCI		—	—	—	—	490	490
Issue of shares	22(c), 22(d)	28,000	1,170,637	—	1,198,637	—	1,198,637
Transfer from capital reserve into share capital	22(b), 22(e)	922,000	(922,000)	—	—	—	—
Appropriation of statutory reserves	23(b)	—	28,809	(28,809)	—	—	—
		950,000	256,101	(303,517)	902,584	(34,204)	868,380
Balance at September 30, 2017		1,000,000	361,598	10,746	1,372,344	484	1,372,828

	Note	Attributable to owners of the Company				Non-controlling interests	Total equity
		Consolidated capital	Reserves	(Accumulated losses)/ Retained earnings	Total		
		RMB'000 (Note 22)	RMB'000 (Note 23)	RMB'000	RMB'000	RMB'000	RMB'000
(Unaudited)							
Balance at January 1, 2016		50,000	64,366	(26,871)	87,495	15,465	102,960
Comprehensive income							
Profit for the period		—	—	121,891	121,891	5,732	127,623
		—	—	121,891	121,891	5,732	127,623
Transactions with owners of the Company							
Capital contribution from the then shareholders		—	13,500	—	13,500	—	13,500
Contribution from a related party		—	8,049	—	8,049	—	8,049
Appropriation of statutory reserves		—	5,232	(5,232)	—	—	—
		—	26,781	(5,232)	21,549	—	21,549
Balance at September 30, 2016		50,000	91,147	89,788	230,935	21,197	252,132

Consolidated statements of cash flows

	Note	Year ended December 31, 2014	2015	2016	Nine months ended September 30, 2016	2017
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Cash flows from operating activities						
Cash generated from operations	28	16,674	59,603	412,100	235,424	164,443
Income tax paid		(2,043)	(5,933)	(68,216)	(41,950)	(64,692)
Net cash generated from operating activities		14,631	53,670	343,884	193,474	99,751
Cash flows from investing activities						
Purchases of property, plant and equipment ("PPE")	15	(4,285)	(2,818)	(6,103)	(1,845)	(11,445)
Proceeds from disposal of PPE		133	546	345	684	390
Purchase of other intangible assets	16	(870)	(853)	(7,920)	(577)	(7,651)
Loans granted to related parties		—	—	(1,400,000)	(1,200,000)	—
Loans repayments received from related parties		865,890	198,010	950,100	699,100	1,036,000
Purchase of wealth management products		—	—	—	—	(2,260,000)
Redemption of wealth management products		—	—	—	—	1,860,000
Interest received		144,270	67,406	96,897	79,289	43,973
(Payment of cash advances to)/ repayment of cash advances from related parties		(56,519)	28,773	151,539	141,751	(9,428)
Acquisition of a subsidiary (net of cash and cash equivalents acquired)	30(d)	—	—	—	—	(981,182)
Increase in restricted bank deposits		(2,080)	(1,210)	(14)	(12)	(309)
Net cash generated from/(used in) investing activities		946,539	289,854	(215,156)	(281,610)	(329,652)
Cash flows from financing activities						
Capital contribution from then shareholders		—	—	15,500	13,500	1,000
Capital contribution from NCI		—	—	—	—	490
Proceeds from issuance of ordinary shares	22(c)(d)	—	—	—	—	1,198,637
Proceeds from borrowings		—	—	1,078,200	1,078,200	—
Repayments of borrowings		(765,740)	(198,010)	(877,100)	(826,100)	(809,000)
Interest paid		(71,532)	(54,671)	(61,799)	(49,554)	(32,727)
(Repayment of cash advances to)/Receipt of cash advances from related parties		(20,905)	(93,570)	35,260	18,293	13,245

	Note	Year ended December 31, 2014	2015	2016	Nine months ended September 30, 2016	2017
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Acquisition of subsidiaries from then shareholders for reorganization	23(d)	—	—	—	—	(33,772)
Dividends paid to the then shareholders		—	—	—	—	(269,605)
Dividends paid to the NCI		—	—	—	—	(28,370)
Listing expenses paid		—	—	—	—	(5,398)
Net cash (used in)/generated from financing activities		(858,177)	(346,251)	190,061	234,339	34,500
Net increase/(decrease) in cash and cash equivalents		102,993	(2,727)	318,789	146,203	(195,401)
Cash and cash equivalents at beginning of year/period		104,108	207,101	204,374	204,374	523,163
Cash and cash equivalents at end of year/period		207,101	204,374	523,163	350,577	327,762

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1 General information and reorganization

1.1 General information

The Company was established in the People's Republic of China (the "PRC") on June 26, 1997. On July 21, 2017, the Company was converted from a limited liability company into a joint stock company with limited liability. The address of the Company's registered office is 33/F, Agile Center 26 Huaxia Road Zhujiang New Town Tianhe District Guangzhou, Guangdong, PRC.

The Company's parent company is Zhongshan A-Living Enterprise Management Services Co., Ltd. ("Zhongshan A-Living"), an investment holding company established in the PRC, and its ultimate holding company is Agile Group Holdings Limited ("Agile Holdings"), a company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company and its subsidiaries (together "the Group") are primarily engaged in the provision of property management services and related value-added services in the PRC (the "Listing Business").

This Historical Financial Information is presented in Renminbi, unless otherwise stated.

1.2 Reorganization

Prior to the completion of the reorganization (the "Reorganization"), the Listing Business was principally operated by the Company, and the other PRC companies of the Group (collectively the "Operating Companies"). The Listing Business is ultimately controlled by Agile Holdings throughout the years ended December 31, 2014, 2015 and 2016 and the nine months ended September 30, 2017 (the "Relevant Period").

In preparation for the listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "Listing"), the Reorganization was undertaken pursuant to which the equity interests of the Operating Companies engaging in the Listing Business were transferred to the Company. Prior to the Reorganization, the Company was owned by Deluxe Star International Limited ("Deluxe Star"), the Reorganization involves the following major steps:

(a) Zhongshan A-Living was established in the PRC on June 2, 2017 with an initial registered capital of RMB300,000,000. Upon establishment, Zhongshan A-Living is wholly-owned by Deluxe Star, a wholly-owned subsidiary of Agile Holdings.

(b) On June 20, 2017, Zhongshan A-Living entered into an equity transfer agreement with Deluxe Star, pursuant to which 99% of the equity interests of the Company was transferred from Deluxe Star to Zhongshan A-Living at a consideration of RMB300,950,000. Upon completion of the transfer, Zhongshan A-Living is holding 99% of the equity interests of the Company with a paid-in capital of RMB49,500,000, and the remaining 1% of equity interests of the Company is still held by Deluxe Star.

(c) During the period from July 4, 2017 to August 9, 2017, the Company acquired the entire equity interests in the following Operating Companies from the respective intermediate holding companies under Agile Holdings:

Name of the Operating Companies being acquired	Cash consideration
Foshan Nanhai Agile Property Management Services Co., Ltd. ("Nanhai Agile")	RMB5,000,000
Guangzhou Agile Property Management Services Co., Ltd. ("Guangzhou Agile")	RMB1,000,000
Guangzhou Yatao Advertisement Co., Ltd.("Guangzhou Yatao")	RMB1,000,000
Guangzhou Yafang Travel Co., Ltd. ("Guangzhou Yafang")	RMB1,000,000
Guangzhou Yazhuo Real Estate Marketing Co., Ltd. ("Guangzhou Yazhuo")	RMB1,000,000
Guangzhou Yatian Network Technology Co., Ltd. ("Guangzhou Yatian")	RMB1,000,000
Guangzhou Harrogate Property Management Services Co., Ltd. ("Guangzhou Harrogate")	RMB1,000,000
Harrogate Property Services (Shanghai) Co., Ltd. ("Shanghai Harrogate")	RMB5,707,258
Guangzhou Huadu Agile Property Management Services Co., Ltd. ("Huadu Agile")	RMB3,464,715
Hainan Agile Property Services Co., Ltd. ("Hainan Agile") (Note 12(c))	RMB4,600,000

Upon completion of these share transfers, the Company became the holding company of the Group.

2 Basis of presentation

Immediately prior to and after the Reorganization, the Listing Business are indirectly controlled by Agile Holdings. The Listing Business is conducted through the Operating Companies and their subsidiaries which are ultimately controlled by Agile Holdings. Pursuant to the Reorganization, the Listing Business is transferred to and held by the Company. The Reorganization is merely a reorganization of the Listing Business with no change in management of such business and the ultimate owner of the Listing Business remains the same. Accordingly, the Reorganization has been accounted for as a reorganization of business under common control in a manner similar to merger accounting.

The Historical Financial Information represents the consolidated results and financial position of the Group as if the current group structure had been in existence throughout the Relevant Periods and as if the Listing Business was transferred to the Group at the beginning of the earliest period presented or when such businesses were established, whichever is the shorter period.

Inter-company transactions, balances and unrealized gains/losses on transactions between the group companies are eliminated on consolidation.

3 Summary of significant accounting policies

3.1 Basis of preparation

The Historical Financial Information has been prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRS") issued by the HKICPA as set out below. The Historical Financial Information has been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

3.1.1 Changes in accounting policy and disclosures

Up to the date of issuance of this report, the HKICPA has issued the following new standards and amendments to existing standards which are not yet effective and have not been early adopted by the Group:

		Effective for annual years beginning on or after
HKFRS 15	Revenue from Contracts with Customers	January 1, 2018
HKFRS 9	Financial Instruments	January 1, 2018
HKFRS 2 (Amendment)	Classification and Measurement of Share-based Payment Transactions	January 1, 2018
HKFRS 4 (Amendment)	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts	January 1, 2018
HKFRS 1 (Amendment)	First time adoption of HKFRS	January 1, 2018
HKAS 28 (Amendment)	Investments in Associates and Joint Ventures	January 1, 2018
HKAS 40 (Amendment)	Transfers of investment property	January 1, 2018
HK (IFRIC) 22	Foreign Currency Transactions and Advance Consideration	January 1, 2018
HK (IFRIC) 23	Uncertainty over Income Tax Treatments	January 1, 2019
HKFRS 10 and HKAS 28 (Amendment)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
HKFRS 16	Leases	January 1, 2019

The Group has already commenced an assessment of the impact of these new or revised standards, interpretation and amendments, certain of which are relevant to the Group's operations. According to the preliminary assessment made by the Directors, no significant impact on the financial performance and position of the Group is expected when they become effective.

HKFRS 15 replaces the previous revenue standards: HKAS 18 Revenue and HKAS 11 Construction Contracts, and the related Interpretations on revenue recognition. HKFRS 15 establishes a comprehensive framework for determining when to recognize revenue and how much revenue to recognize through a 5-step approach: (1) Identify the contract(s) with customer; (2) Identify separate performance obligations in a contract; (3) Determine the transaction price; (4) Allocate transaction price to performance obligations and (5) Recognize revenue when performance obligation is satisfied. The core principle is that a company should recognize revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. It moves away from a revenue recognition model based on an approach of transfer of risk and rewards to an approach based on transfer of control. HKFRS 15 provides specific guidance on capitalization of contract cost and license arrangements. It also includes a cohesive set of disclosure requirements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. Under HKFRS 15, an entity recognizes revenue when a performance obligation is satisfied.

Management is currently assessing the effects of applying the new standards on the Group's financial statements and has identified the following areas that are likely to be affected:

- revenue from service — the application of HKFRS 15 may result in the identification of separate performance obligations which could affect the timing of the recognition of revenue.

- accounting for certain costs incurred in fulfilling a contract — certain costs which are currently expensed may need to be recognized as an asset under HKFRS 15, and

- rights of return HKFRS 15 requires separate presentation on the balance sheet of the right to recover the goods from the customer and the refund obligation.

The Group considers that the adoption of the new standard of HKFRS 15 will not have a significant impact on the Group's financial position and results of operations.

HKFRS 9 replaces the whole of HKAS 39. HKFRS 9 has three financial asset classification categories for investments in debt instruments: amortized cost, fair value through other comprehensive income ("OCI") and fair value through profit or loss. Classification is driven by the entity's business model for managing the debt instruments and their contractual cash flow characteristics. Investments in equity instruments are always measured at fair value. However, management can make an irrevocable election to present changes in fair value in OCI, provided the instrument is not held for trading. If the equity instrument is held for trading, changes in fair value are presented in profit or loss. For financial liabilities there are two classification categories: amortized cost and fair value through profit or loss. Where non-derivative financial liabilities are designated at fair value through profit or loss, the changes in the fair value due to changes in the liability's own credit risk are recognized in OCI, unless such changes in fair value would create an accounting mismatch in profit or loss, in which case, all fair value movements are recognized in profit or loss. There is no subsequent recycling of the amounts in OCI to profit or loss. For financial liabilities held for trading (including derivative financial liabilities), all changes in fair value are presented in profit or loss.

HKFRS 9 introduces a new model for the recognition of impairment losses — the expected credit losses (ECL) model, which constitutes a change from the incurred loss model in HKAS 39. HKFRS 9 contains a "three stage" approach, which is based on the change in credit quality of financial assets since initial recognition. Assets move through the three stages as credit quality changes and the stages dictate how an entity measures impairment losses and applies the effective interest rate method. HKFRS 9 applies to all hedging relationships, with the exception of portfolio fair value hedges of interest rate risk.

While the Group has yet to undertake a detailed assessment, there will be no impact on the Group's accounting for financial assets and liabilities. As the Group expects that its financial assets currently measured at amortized cost will continue with their respective classification and measurements, and the Group did not hold financial assets currently classified as available-for-sale (AFS) or financial assets currently measured at fair value through profit or loss. The new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have such liabilities.

The Group assesses that adopting HKFRS 9 will not have a material impact on the Group's financial position and results of operations.

The Group is a lessee of certain offices and buildings, which are currently accounted for as operating leases under HKAS 17 based on the accounting policy as set out in Note 3.21(a). As at September 30, 2017, the Group's minimum lease payments under non-cancellable operating lease agreements amounted to RMB52,749,000 as separately disclosed in Note 29(b). Under HKFRS 16, lessees are required to recognize a lease liability reflecting future lease payments and a right-of-use asset for all lease contracts in the balance sheet. Lessees will also have to present interest expense on the lease liability and depreciation on the right-of-use asset in the income statement. In comparison with operating leases under HKAS 17, this will change not only the allocation of expenses but also the total amount of expenses recognized for each period of the lease term. The combination of a straight-line depreciation of the right-of-use asset and the effective interest rate method applied to the lease liability will result in a higher total charge to profit or loss in the initial years of the lease, and decreasing expenses during the latter part of the lease term. The new standard has included an optional exemption for certain short-term leases and leases of low-value assets. This exemption can only be applied by lessees. The Group is expected to apply the new standard starting from the financial year beginning on or after January 1, 2019.

The directors of the Company do not expect the adoption of HKFRS 16 would result in significant impact on the Group's results but it is expected that certain portion of these lease commitments will be required to be recognized in the consolidated balance sheet as right-of-use assets and lease liabilities.

3.2 Subsidiaries

3.2.1 Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Business combinations under common control

The Historical Financial Information incorporates the financial statement items of the entities or businesses in which the common control combination occurs as if they had been consolidated from the date when the entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are consolidated using the existing book values from the controlling party's perspective. No amount is recognized in consideration for goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

The consolidated statement of comprehensive income include the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

A uniform set of accounting polices is adopted by those entities. All intra-group transactions, balances and unrealized gains on transactions between combining entities or businesses are eliminated on consolidation.

Business combinations not under common control

Except for the reorganization, the Group applies the acquisition method to account for business combinations not under common control. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognized amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognized in profit or loss.

Any contingent consideration to be transferred by the Group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized in accordance with HKAS 39 in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognized and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized directly in the statement of profit or loss.

Intra-group transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

3.2.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

3.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker ("CODM"), who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors that makes strategic decisions.

3.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in RMB, which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized within "other (losses)/gains — net" in the consolidated statements of comprehensive income.

3.5 Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

— Buildings	20-60 years
— Transportation equipment	4-10 years
— Office equipment	5-10 years
— Machinery	10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within "other gains/(losses) — net" in the consolidated statements of comprehensive income.

3.6 Intangible assets

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identified net assets acquired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognized immediately as an expense and is not subsequently reversed.

(b) Trademarks

Trademarks acquired in a business combination are recognized at fair value at the acquisition date. Trademarks have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost of trademarks over their estimated useful lives of 5 years.

(c) Customer relationships

Customer relationships acquired in a business combination are recognized at fair value at the acquisition date. The contractual customer relations have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method over the expected life of 8 years for the customer relationship.

(d) Computer software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives (2 to 10 years).

Research and development costs that are directly attributable to the design and testing of identifiable and unique software products, for example, applications, controlled by the Group are recognized as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use it;
- There is an ability to use the software product;
- It can be demonstrated how the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the research and development and to use the software product are available; and
- The expenditure attributable to the software product during its research and development can be reliably measured.

Directly attributable costs that are capitalized as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

3.7 Impairment of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

3.8 Financial assets

3.8.1 Classification

The Group classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise "trade and other receivables" (Note 19), "loans and interest receivables due from related parties" (Note 20), "cash and cash equivalents" and "restricted cash" (Note 21) in the consolidated balance sheets.

3.8.2 Recognition and measurement

Regular way purchases and sales of financial assets are recognized on the trade-date — the date on which the Group commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the statement of profit or loss. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Loans and receivables are subsequently carried at amortized cost using the effective interest method.

3.9 Impairment of financial assets

Assets carried at amortized cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the consolidated statement of profit or loss. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the consolidated statement of profit or loss.

3.10 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the first-in, first-out (FIFO) method. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

3.11 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less allowance for impairment.

3.12 Cash and cash equivalents, restricted cash

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks. Bank deposits which are restricted to use are included in "restricted cash" of the consolidated balance sheets.

3.13 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.14 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

3.15 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the consolidated statements of comprehensive income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

3.16 Borrowing costs

All borrowing costs are recognized in the consolidated statements of comprehensive income in the period in which they are incurred.

3.17 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in the consolidated statements of comprehensive income, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Inside basis differences

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognized on deductible temporary differences arising from investments in subsidiaries only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilized.

(c) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

3.18 Employee benefits

(a) Pension obligations

The Group only operate defined contribution pension plans. In accordance with the rules and regulations in the PRC, the PRC based employees of the Group participate in various defined contribution retirement benefit plans organized by the relevant municipal and provincial governments in the PRC under which the Group and the PRC based employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries. The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired PRC based employees' payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefits of its employees. The assets of these plans are held separately from those of the Group in independently administrated funds managed by the governments.

The Group's contributions to the defined contribution retirement scheme are expensed as incurred.

(b) Housing benefits

Full-time PRC employees of the Group are entitled to participate in government-sponsored housing funds. The Group contributes to these funds based on certain percentages of the salaries of these employees on a monthly basis. The Group's liability in respect of these funds is limited to the contribution payable in each period. Contributions to the housing funds are expensed as incurred.

(c) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of HKAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(d) Employee leave entitlements

Employee entitlements to annual leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognized until the time of leave.

3.19 Provisions

Provisions for environmental restoration, restructuring costs, and legal claims are recognized when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

3.20 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied and services rendered, stated net of discounts, returns and value added taxes. The Group recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below. The Group bases its estimates of return on historical results, taking into consideration the type of customers, the type of transactions and the specifics of each arrangement.

(a) Property management services and value-added services

Revenue from property management services (including property management services under commission basis or lump sum basis) and value-added services (including pre-delivery services, household assistance services, sales services and other services) is recognized when services are rendered.

For property management services income from properties managed under lump sum basis, where the Group acts as principal, the Group entitles to revenue at the value of property management services fee received or receivable by the properties. For property management service income from properties managed under commission basis, where the Group acts as an agent of the property owner, the Group entitles revenue at a pre-determined percentage of the property management fee received or receivable by the properties.

(b) Sale of parking lots and shops

Revenue from sale of parking lots and shops is recognized when the Group has delivered the relevant parking lots and shops to the purchaser and the collectability of related consideration is reasonably assured.

(c) Interest income

Interest income is recognized using the effective interest method.

3.21 Leases

(a) The Group is the lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated statements of comprehensive income on a straight-line basis over the period of the lease.

(b) The Group is the lessor

When assets are leased out under operating lease, the assets are included in the balance sheet based on the nature of the assets. Rental income is recognized in the consolidated statements of comprehensive income on a straight-line basis over the term of the lease.

3.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

4 Financial risk management

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: interest rate risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

4.1.1 Interest rate risk

The Group's interest rate risk arises from non-current loans and interest receivables due from related parties and non-current borrowings, including asset-backed securities and other borrowings. Loans and interest receivables due from related parties and asset-backed securities at fixed rates expose the Group to fair value interest rate risk. Other borrowings at variable rates exposes the Group to cash flow interest rate risk. The Group closely monitors trend of interest rate and its impact on the Group's interest rate risk exposure. The Group currently has not used any interest rate swap arrangements but will consider hedging interest rate risk should the need arise.

As at December 31, 2014 and 2015, if interest rates had been 100 basis points higher or lower with all other variables held constant, the Group's profit before tax for the years ended December 31, 2014 and 2015 would decrease or increase by approximately RMB6,051,000 and RMB4,421,000, respectively, mainly as a result of higher or lower interest expenses on floating rate borrowings. As at December 31, 2016 and September 30, 2017, the Group had no borrowings at variable rates.

4.1.2 Credit risk

The Group is exposed to credit risk in relation to its trade and other receivables, loans and interest receivables due from related parties and cash deposits with banks.

The carrying amounts of trade and other receivables, loans and interest receivable due from related parties, restricted cash, cash and cash equivalents represent the Group's maximum exposure to credit risk in relation to financial assets.

For trade and other receivables, the management of the Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverability of these receivables at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced. See Note 19 for further disclosure on credit risk.

For credit exposures to loans and interest due from related parties, the Group had not encountered any significant difficulties in collecting from the related parties in the past, and is not aware of any significant financial difficulties experienced by the related parties.

To manage credit risk of cash deposits with banks, deposits are mainly placed with licensing banks which are all high-credit-quality financial institutions.

4.1.3 Liquidity risk

Management aims to maintain sufficient cash and cash equivalents or have available funding through an adequate amount of available financing, including short-term and long-term borrowings and capital injection by the shareholders to meet its daily operation working capital requirements.

The table below set out the Group's financial liabilities by relevant maturity grouping at each balance sheet date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months from the balance sheet date equal to their carrying amounts in the balance sheets, as the impact of discount should not be significant.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000
As at September 30, 2017				
Trade and other payables(*)	492,509	—	—	492,509
As at December 31, 2016				
Borrowings	247,063	240,641	417,519	905,223
Trade and other payables(*)	368,361	—	—	368,361
As at December 31, 2015				
Borrowings	183,107	190,211	294,881	668,199
Trade and other payables(*)	225,004	—	—	225,004
As at December 31, 2014				
Borrowings	235,342	187,147	510,094	932,583
Trade and other payables(*)	528,700	—	—	528,700

* Excluding non-financial liabilities

4.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for owners and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors its capital structure on a basis of gearing ratio. This ratio is calculated as net borrowings divided by total equity as shown in the consolidated balance sheets. Net borrowings are calculated as total borrowings (including current and non-current borrowings as shown in the consolidated balance sheets) less total of cash and cash equivalents and restricted cash.

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Total borrowings (Note 25)	784,110	586,100	795,385	—
Less: cash and cash equivalents	(207,101)	(204,374)	(523,163)	(327,762)
Restricted cash (Note 21)	(2,080)	(3,290)	(3,304)	(3,613)
Net debt	574,929	378,436	268,918	(331,375)
Total equity	30,929	102,960	303,482	1,372,828
Gearing ratio	1,858.9%	367.6%	88.6%	N/A

The decrease in the gearing ratio during the years ended December 31, 2014, 2015 and 2016 primarily resulted from the improvement in operating cashflow year by year. The decrease in the gearing ratio during the nine months ended September 30, 2017 primarily resulted from the increase in share capital (Note 22) and the early redemption of asset-backed securities (Note 25).

5 Critical accounting estimates and judgments

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 3.6, where the recoverable amounts of the CGU is determined based on value-in-use calculations. These calculations require the use of estimates. Details of impairment assessment, key assumptions and impact of possible changes in key assumptions are disclosed in note 16.

(b) Allowance on doubtful receivables

The Group makes allowances on doubtful receivables based on an assessment of the recoverability of the receivables. Allowances are provided on receivable where events or changes in circumstances indicate that the receivable may not be collectible. The identification of doubtful receivables requires the use of judgment and estimates.

To determine whether there is any objective evidence of doubtful receivables, the Group takes into consideration a number of indicators, including, among others, subsequent settlement status, historical write-off experience and management fee collection rate of the residents in estimating the future cashflows from the receivables.

Where the expectation is different from the original estimate, such difference will impact the carrying amount of trade and other receivables and doubtful debt expenses in the periods in which such estimate has been changed.

(c) Current and deferred income tax

The Group is subject to corporate income taxes in the PRC. Judgement is required in determining the amount of the provision for taxation and the timing of payment of the related taxations. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognized when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilized. The outcome of their actual utilization may be different.

(d) Estimation of the useful life of customer relationship identified in business combination

On June 30, 2017, the Company completed its acquisition of 100% of the equity interests in Shanghai Greenland Property Services Co., Ltd. ("Greenland Property Services", 上海綠地物業服務有限公司) (note 16 and 30). Customer relationship identified in the business combination as at acquisition date of June 30, 2017 amounted to RMB77,000,000. Customer relationship primarily related to the existing contracts of Greenland Property Services on the acquisition date, and Greenland Property Services' entitlement to the yearly incremental property gross floor areas under management committed by Greenland Holdings Group Company Limited ("Greenland Holdings") for the period from January 1, 2018 to December 31, 2022 according to the investment cooperation framework agreement with Greenland Holdings. As at September 30, 2017, the carrying amount of the customer relationship identified in the acquisition was RMB74,594,000. A large portion of the existing contracts of Greenland Property Services are with no specific expiration date and the remaining contracts are with contract periods of two to five years. Based on past experience, termination or non-renewal of property management contracts with the property developers or property owners' association are uncommon. The Group thus estimates the useful life and determines the amortization period of the customer relationship to be eight years based on the expected contract duration of the property management contracts. However, the actual useful life may be shorter or longer than eight years, depending on Greenland Property Services' ability to secure its contracts with property developers or renew the contracts with property owners' associations in the future. Where the actual contract duration is different from the original estimate, such difference will impact the carrying amount of the intangible asset of customer relationship and the amortization expenses in the periods in which such estimate has been changed.

6 Segment information

Management has determined the operating segments based on the reports reviewed by CODM. The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors of the Company.

During the Relevant Periods, the Group is principally engaged in the provision of property management services and related value-added services, including pre-delivery services, household assistance service, sales services and other services, in the PRC.

Before June 30, 2017, the Group's business was primarily operated under a single brand "Agile Property Management". The CODM of the Company examined the Group's performance as a whole and has identified only one reportable segment.

On June 30, 2017, the Group acquired Greenland Property Services. Since then, the Group operated under two brands, "Agile Property Management" and "Greenland Property Services". Management reviews the operating results of the business under these two brands to make decisions about resources to be allocated. Therefore, the CODM of the Company regards that there are two segments which are used to make strategic decisions.

The CODM of the Company assesses the performance of the operating segments based on a measure of segment revenue, segment results, segment assets and segment liabilities. Segment results excluded central administration costs, other income, other gains/(losses)-net, finance income, finance costs and income tax expenses, and segment assets excluded wealth management products, as these activities are centrally driven by the Group.

The major operating entities of the Group are domiciled in the PRC. Accordingly, all of the Group's revenue are derived in the PRC.

As at December 31, 2014, 2015 and 2016 and September 30, 2017, all of the assets were located in the PRC.

For the year ended December 31, 2014, 2015 and 2016 and the nine months ended September 30, 2017, revenues of approximately RMB258,442,000, RMB264,830,000, RMB305,174,000 and RMB253,954,000 are derived from Agile Holdings and its subsidiaries respectively. These revenues are attributed to the business operated by Agile Property Management.

Segment Revenue and Results

The segment revenue and results and the reconciliation with profit for the period ended September 30, 2017 are as follows:

	Nine months ended September 30,	Three months ended September 30,	
	Business operated by Agile Property Management	Business operated by Greenland Property Services	Total
	RMB'000	RMB'000	RMB'000
Gross segment sales	1,124,894	43,974	1,168,868
Segment results	196,706	12,379	209,085
Other income			8,167
Other gains - net			12
Finance income			53,070
Income tax expense			(69,368)
Profit for the period			200,966
Segment results include:			
Depreciation	5,245	9	5,254
Amortisation	1,108	3,306	4,414

Segment assets and liabilities

The segment assets and liabilities and the reconciliation with total assets and liabilities of the Group as at September 30, 2017 are as follows:

	Business operated by Agile Property Management	Business operated by Greenland Property Services	Total
	RMB'000	RMB'000	RMB'000
Segment assets	731,894	1,142,179	1,874,073
Unallocated assets			
Wealth management products			400,000
Deferred income tax assets			13,792
Total segment assets			2,287,865
Segment liabilities	781,372	110,673	892,045
Unallocated liabilities			
Deferred income tax liabilities			22,992
Total liabilities			915,037
Capital expenditure	19,031	65	19,096

7 Revenue and cost of sales

Revenue mainly comprises of proceeds from property management services and related value-added services. An analysis of the Group's revenue and cost of sales by category for the years ended December 31, 2014, 2015 and 2016 and the nine months ended September 30, 2016 and 2017 is as follows:

	Year ended December 31,						Nine months ended September 30,			
	2014		2015		2016		2016		2017	
	RMB'000		RMB'000		RMB'000		RMB'000 (Unaudited)		RMB'000	
	Revenue	Cost of sales	Revenue	Cost of sales	Revenue	Cost of sales	Revenue	Cost of sales	Revenue	Cost of sales
Property management services	595,030	529,472	690,729	586,538	977,863	734,119	675,381	507,849	898,192	608,721
Value-added services to non-property owners	188,819	166,232	185,987	156,853	212,247	159,691	149,997	116,024	206,028	139,365
Value-added services to property owners	42,250	31,575	57,696	42,206	54,625	39,278	46,432	32,674	64,648	37,613
	826,099	727,279	934,412	785,597	1,244,735	933,088	871,810	656,547	1,168,868	785,699

8 Expenses by nature

	Year ended December 31,			Nine months ended September 30,	
	2014	2015	2016	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Employee benefit expenses (Note 9)	448,975	486,766	564,613	401,121	493,668
Utilities	61,343	50,802	85,122	57,708	65,418
Business taxes and other levies	54,225	60,815	30,809	27,581	8,250
Cleaning expenses	54,014	65,207	108,501	74,887	99,531
Maintenance costs	29,919	39,258	61,387	40,956	54,799
Cost of consumables	27,615	33,478	33,192	19,303	37,059
Greening and gardening expenses	26,526	29,395	35,900	25,420	34,200
Operating lease payments	13,135	15,485	9,815	5,606	9,774
Allowance for impairment of receivables/inventories	7,438	8,516	5,675	4,350	3,295
Advertising expenses	6,141	7,947	12,846	5,351	15,865
Depreciation and amortisation charges	5,980	6,331	6,341	4,398	9,668
Travelling and entertainment expenses	4,780	6,149	11,041	6,816	15,521
Cost of selling parking lots and shops	4,749	13,387	10,011	6,417	11,413
Office expenses	4,234	4,342	7,044	4,231	8,420
IT system maintenance expenses	2,362	5,677	2,072	1,372	1,504
Expenses for staff activities	1,709	1,208	1,463	712	1,124
Insurance charges	1,652	1,729	1,697	1,260	2,062
Consulting fees	1,413	1,493	32,856	16,685	16,284
Employees training expenses	549	220	1,160	288	4,087
Auditors' remuneration					
— Audit services	390	456	729	654	809
Security charges	—	—	6,155	4,648	10,054
Listing expenses	—	—	—	—	839
Others	8,654	7,427	2,408	3,105	6,871
	765,803	**846,088**	**1,030,837**	**712,869**	**910,515**

9 Employee benefit expenses

	Year ended December 31,			Nine months ended September 30,	
	2014	2015	2016	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Wages and salaries	355,981	384,508	440,448	314,090	384,437
Social insurance expenses (Note (a))	40,763	46,192	63,373	45,086	59,518
Housing benefits	8,380	9,217	11,774	8,919	12,540
Other employee benefits	43,851	46,849	49,018	33,026	37,173
Total (including emoluments of directors and supervisors)	448,975	486,766	564,613	401,121	493,668

(a) Employees in the Group's PRC subsidiaries are required to participate in a defined contribution retirement scheme administrated and operated by the local municipal government. The Group's PRC subsidiaries contribute funds which are calculated based on certain percentages of the average employee salary as agreed by local municipal government to the scheme to fund the retirement benefits of the employees.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group include 1, 1 and 2 directors for the years ended December 31, 2014, 2015 and 2016, 1, and 2 directors for the nine months ended September 30, 2016 and 2017, whose emoluments are reflected in the analysis shown in Note 33. The emoluments payable to the remaining 4, 4, 3, 4, and 3 individuals during the Relevant Periods are as follows:

	Year ended December 31,			Nine months ended September 30,	
	2014	2015	2016	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Basic salaries, housing allowances, other allowances and benefits in kind	1,784	3,287	4,701	2,878	3,476

The emoluments fell within the following bands:

	Number of individuals				
	Year ended December 31,			Nine months ended September 30,	
	2014	2015	2016	2016 (Unaudited)	2017
Emolument bands (in HK dollar)					
Nil — HK$1,000,000	4	2	1	3	2
HK$1,000,001 — HK$2,000,000	—	2	1	1	1
HK$2,000,001 — HK$3,000,000	—	—	—	—	—
HK$3,000,001 — HK$4,000,000	—	—	1	—	—

10 Other (losses)/gains — net

	Year ended December 31,			Nine months ended September 30,	
	2014	2015	2016	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
(Losses)/gains from disposal of property, plant and equipment	(260)	(327)	(219)	(17)	12

11 Finance income — net

	Year ended December 31,			Nine months ended September 30,	
	2014	2015	2016	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Finance expenses:					
— Interest expense of other borrowings	(78,513)	(55,321)	(19,461)	(19,461)	—
— Interest expense of asset-backed securities ("ABS") (Note 25)	—	—	(52,031)	(37,428)	(48,791)
	(78,513)	(55,321)	(71,492)	(56,889)	(48,791)
Finance income:					
— Interest income from loans due from related parties (Note 31(e))	79,523	66,902	86,098	68,490	53,070
Finance income — net	1,010	11,581	14,606	11,601	4,279

12 Subsidiaries

The following is a list of the principal subsidiaries at December 31, 2014, 2015 and 2016 and September 30, 2017:

Company name	Place and date of incorporation/ establishment	Registered/ issued and paid-up capital	Attributable equity interest of the Group as at December 31, 2014	Attributable equity interest of the Group as at December 31, 2015	Attributable equity interest of the Group as at December 31, 2016	Attributable equity interest of the Group as at September 30, 2017	Principal activities and place of operation	Name of statutory auditors and periods covered
Nanhai Agile 佛山市南海區雅居樂物業管理服務有限公司	The PRC, September 20, 2002	RMB5,000,000	100%	100%	100%	100%	Property management services in Foshan	Guangdong Link Certified Public Accountants Co., Limited 廣東智合會計師事務所有限公司 Each of the three years ended December 31, 2016
Guangzhou Agile 廣州雅居樂物業管理服務有限公司	The PRC, April 18, 2003	RMB1,000,000	100%	100%	100%	100%	Property management services in Guangzhou	Guangdong Link Certified Public Accountants Co., Limited 廣東智合會計師事務所有限公司 Each of the three years ended December 31, 2016
Huadu Agile 廣州市花都雅居樂物業管理服務有限公司	The PRC, April 23, 2003	RMB3,000,000	100%	100%	100%	100%	Property management services in Guangzhou	Guangdong Hongjian Certified Public Accountants Co., Limited 廣東宏建會計師事務所有限公司 Each of the three years ended December 31, 2016
Hainan Agile 海南雅居樂物業服務有限公司	The PRC, June 2, 2010	RMB3,000,000	70%	70%	70%	100%	Property management services in Hainan	Hainan Haixin Accountant Affairs Office 海南海信會計師事務所 Each of the three years ended December 31, 2016

Company name	Place and date of incorporation/ establishment	Registered/ issued and paid-up capital	Attributable equity interest of the Group as at December 31, 2014	Attributable equity interest of the Group as at December 31, 2015	Attributable equity interest of the Group as at December 31, 2016	Attributable equity interest of the Group as at September 30, 2017	Principal activities and place of operation	Name of statutory auditors and periods covered
Shanghai Harrogate 雅萊格物業服務（上海）有限公司	The PRC, September 9, 2011	RMB5,000,000	100%	100%	100%	100%	Property management services in Shanghai	Shanghai Zhong Hui Certified Public Accountants Co., Limited 上海中惠會計師事務所有限公司 For the years ended December 31, 2014 Zhongzhun CPAs LLP Shanghai Office 中準會計師事務所（特殊普通合夥）上海分所 For the years ended December 31, 2015 and 2016
Guangzhou Harrogate 廣州雅萊格物業管理服務有限公司(a)	The PRC, November 17, 2015	RMB1,000,000	N/A	100%	100%	100%	Property management services in Guangzhou	Guangdong Hongjian Certified Public Accountants Co., Limited 廣東宏建會計師事務所有限公司 For the years ended December 31, 2016
Guangzhou Yatian 廣州市雅天網絡科技有限公司	The PRC, October 8, 2015	RMB10,000,000	N/A	100%	100%	100%	Software engineering services in Guangzhou	Guangdong Link Certified Public Accountants Co., Limited 廣東智合會計師事務所有限公司 For the year ended December 31, 2015 and 2016

Company name	Place and date of incorporation/ establishment	Registered/ issued and paid-up capital	Attributable equity interest of the Group as at December 31, 2014	Attributable equity interest of the Group as at December 31, 2015	Attributable equity interest of the Group as at December 31, 2016	Attributable equity interest of the Group as at September 30, 2017	Principal activities and place of operation	Name of statutory auditors and periods covered
Guangzhou Yafang 廣州市雅方旅遊有限公司	The PRC, October 8, 2015	RMB1,000,000	N/A	100%	100%	100%	Travel agency services in Guangzhou	Guangdong Link Certified Public Accountants Co., Limited 廣東智合會計師事務所有限公司 For the year ended December 31, 2015 and 2016
Zhongshan Agile Security Services Co., Ltd* 中山市雅居樂保安服務有限公司(b)	The PRC, April 22, 2016	RMB1,010,000	N/A	N/A	100%	100%	Property management services in Zhongshan	N/A
Guangzhou Yatao 廣州市雅韜廣告有限公司	The PRC, June 30, 2016	RMB1,000,000	N/A	N/A	100%	100%	Advertising services in Guangzhou	Guangdong Link Certified Public Accountants Co., Limited 廣東智合會計師事務所有限公司 For the year ended December 31, 2016
Guangzhou Yazhuo 廣州市雅卓房地產營銷有限公司	The PRC, July 11, 2016	RMB1,000,000	N/A	N/A	100%	100%	Real estate marketing services in Guangzhou	Guangdong Link Certified Public Accountants Co., Limited 廣東智合會計師事務所有限公司 For the year ended December 31, 2016
Guangzhou Yaxin Engineering Consultancy Co., Ltd* 廣州市雅信工程諮詢有限公司	The PRC, April 10, 2017	RMB1,000,000	N/A	N/A	N/A	100%	House inspection services in Guangzhou	N/A

Company name	Place and date of incorporation/ establishment	Registered/ issued and paid-up capital	Attributable equity interest of the Group as at December 31, 2014	Attributable equity interest of the Group as at December 31, 2015	Attributable equity interest of the Group as at December 31, 2016	Attributable equity interest of the Group as at September 30, 2017	Principal activities and place of operation	Name of statutory auditors and periods covered
Greenland Property Services 上海綠地物業服務有限公司	The PRC November 25, 2010	RMB5,500,000	N/A	N/A	N/A	100%	Property management services in Shanghai	N/A
Guangzhou Yatong Intelligent Technology Co., Ltd.* 廣州市雅通智能科技有限公司	The PRC, July 5, 2017	RMB1,000,000	N/A	N/A	N/A	51%	Information technology consulting service in Guangzhou	N/A

* The English name of the subsidiaries represents the best effort by the management of the Group in translating their Chinese names as they do not have an official English name.

(a) No statutory audited financial statements has been issued for the year ended December 31, 2015.

(b) No statutory audited financial statements has been issued for the year ended December 31, 2016.

(c) Material non-controlling interests

One of the Operating Companies, Hainan Agile has been indirectly held by Crown Golden Investments Limited, now known as Hainan Clearwater Bay Holdings Limited ("Hainan Clearwater Bay"), an entity with 70% of its equity interest held by Agile Holdings during the years ended December 31, 2014, 2015 and 2016 and the period ended July 21, 2017.

As at July 20, 2017, Hainan Clearwater Bay has repurchased its own 30% issued shares held by the non-controlling interest holder. Upon completion of the repurchase transaction, Hainan Clearwater Bay has become a wholly-owned subsidiary of Agile Holdings, and the entire equity interest of Hainan Agile has been controlled by Agile Holdings.

On August 9, 2017, the Group acquired 100% equity interest of Hainan Agile in total from its immediate holding companies Hainan Agile Real Estate Development Co., Ltd. ("Hainan Real Estate") and Hainan Yaheng Real Estate Development Co., Ltd. ("Hainan Yaheng"), subsidiaries of Hainan Clearwater Bay at a total consideration of RMB4,600,000. Upon completion of the acquisition, Hainan Agile became a wholly-owned subsidiary of the Company.

The non-controlling interests for each of the years ended December 31, 2014, 2015 and 2016 were RMB8,400,000, RMB15,465,000 and RMB23,841,000 respectively, which were attributed to Hainan Agile.

Summarized financial information on the subsidiary with material non-controlling interests

Set out below are the summarized financial information for the subsidiary, Hainan Agile, which has non-controlling interests that are material to the Group as at and for the years ended December 31, 2014, 2015 and 2016.

Summarized balance sheets

	As at December 31,		
	2014	**2015**	**2016**
	RMB'000	**RMB'000**	**RMB'000**
Current			
Assets	103,665	122,671	175,296
Liabilities	78,537	73,782	94,236
Total current net assets	25,128	48,889	81,060
Non-current			
Assets	2,872	2,662	3,508
Net assets	28,000	51,551	84,568

Summarized statements of comprehensive income

	Year ended December 31,		
	2014	**2015**	**2016**
	RMB'000	**RMB'000**	**RMB'000**
Revenue	129,383	161,450	160,341
Profit before income tax	22,806	31,971	38,982
Income tax expense	(5,941)	(8,420)	(11,062)
Total comprehensive income	16,865	23,551	27,920
Total comprehensive income allocated to non-controlling interests	5,059	7,065	8,376
Dividends paid to non-controlling interests	—	—	—

Summarized statement of cash flows

	Year ended December 31,		
	2014	**2015**	**2016**
	RMB'000	**RMB'000**	**RMB'000**
Cash flows from operating activities			
Cash generated from operations	24,137	(8,438)	88,326
Income tax paid	(1,736)	(5,860)	(14,295)
Net cash generated from/(used in) operating activities	22,401	(14,298)	74,031
Net cash (used in)/generated from investing activities	(15,276)	3,516	(29,334)
Net cash generated from/(used in) financing activities	24,491	(17,603)	(8,107)
Net increase/(decrease) in cash and cash equivalents	31,616	(28,385)	36,590
Cash and cash equivalents at beginning of year	11,378	42,994	14,609
Cash and cash equivalents at end of year	42,994	14,609	51,199

13 Income tax expenses

	Year ended December 31,			Nine months ended September 30,	
	2014	2015	2016	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Current income tax					
— PRC corporate income tax	14,303	30,485	70,847	50,296	66,597
Deferred income tax (Note 26)					
— PRC corporate income tax	2,885	(3,108)	(8,137)	(4,546)	2,771
	17,188	27,377	62,710	45,750	69,368

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the group entities as follows:

	Year ended December 31,			Nine months ended September 30,	
	2014	2015	2016	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Profit before income tax	63,851	99,408	231,756	173,373	270,334
Tax calculated at domestic tax rates applicable to profits in the respective group entities	15,963	24,852	57,939	43,343	67,584
Tax effects of:					
— Expenses not deductible for tax purposes	1,225	2,525	4,771	2,407	765
— Reversal of deferred tax assets recognized for tax loss in prior years	—	—	—	—	1,019
	17,188	27,377	62,710	45,750	69,368

The effective income tax rate was 27%, 28%, 27%, 26% and 26% for the years ended December 31, 2014, 2015 and 2016 and the nine months ended September 30, 2016 and 2017, respectively.

PRC corporate income tax

Income tax provision of the Group in respect of operations in Mainland China has been calculated at the applicable tax rate on the estimated assessable profits for the year/period, based on the existing legislation, interpretations and practices in respect thereof.

The corporate income tax rate applicable to the group entities located in Mainland China is 25% according to the Corporate Income Tax Law of the PRC.

14 Earnings per share

For the purpose of computing basic and diluted earnings per share, ordinary shares were assumed to have issued and allocated on January 1, 2014 as if the Company has been established by then. In addition, the number of ordinary shares outstanding during each year of the Relevant Periods have also been adjusted retroactively for the proportional changes in the number of ordinary shares outstanding as a result of the conversions from other reserve to share capital as described in Note 22(b) and (e) in the computation of both basic and diluted earnings per share for the Relevant Periods.

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of ordinary shares deemed to be in issue during the Relevant Periods.

The Company did not have any potential ordinary shares outstanding during the Relevant Periods. Diluted earnings per share is equal to basic earnings per share.

	Year ended December 31,			Nine months ended September 30,	
	2014	2015	2016	2016	2017
				(Unaudited)	
Profit attributable to the Owners of the Company ('000)	41,604	64,966	160,670	121,891	190,119
Weighted average number of ordinary shares deemed to be in issue (in thousands)	720,000	720,000	720,000	720,000	775,200
Basic earnings per share for profit attributable to the Owners of the Company during the year/period (expressed in RMB per share)	0.06	0.09	0.22	0.17	0.25

15 Property, plant and equipment

The Group

	Buildings	Transportation equipment	Office equipment	Machinery	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at January 1, 2014					
Cost	63,938	24,406	5,391	19,059	112,794
Accumulated depreciation	(10,762)	(18,798)	(3,268)	(12,713)	(45,541)
Net book amount	53,176	5,608	2,123	6,346	67,253
Year ended December 31, 2014					
Opening net book amount	53,176	5,608	2,123	6,346	67,253
Additions	206	849	1,458	1,772	4,285
Disposals	—	(97)	(91)	(205)	(393)
Depreciation charge	(1,527)	(1,603)	(625)	(1,797)	(5,552)
Closing net book amount	51,855	4,757	2,865	6,116	65,593
As at December 31, 2014					
Cost	64,144	23,637	6,490	17,975	112,246
Accumulated depreciation	(12,289)	(18,880)	(3,625)	(11,859)	(46,653)
Net book amount	51,855	4,757	2,865	6,116	65,593
Year ended December 31, 2015					
Opening net book amount	51,855	4,757	2,865	6,116	65,593
Additions	152	543	612	1,511	2,818
Disposals	—	(756)	(76)	(41)	(873)
Depreciation charge	(1,598)	(1,543)	(743)	(1,914)	(5,798)
Closing net book amount	50,409	3,001	2,658	5,672	61,740
As at December 31, 2015					
Cost	64,294	16,053	6,557	18,889	105,793
Accumulated depreciation	(13,885)	(13,052)	(3,899)	(13,217)	(44,053)
Net book amount	50,409	3,001	2,658	5,672	61,740
Year ended December 31, 2016					
Opening net book amount	50,409	3,001	2,658	5,672	61,740
Additions	118	1,537	539	3,909	6,103
Disposals	(4)	(396)	(21)	(143)	(564)
Depreciation charge	(1,609)	(1,234)	(738)	(2,095)	(5,676)
Closing net book amount	48,914	2,908	2,438	7,343	61,603

	Buildings	Transportation equipment	Office equipment	Machinery	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at December 31, 2016					
Cost	64,408	11,315	6,940	21,356	104,019
Accumulated depreciation	(15,494)	(8,407)	(4,502)	(14,013)	(42,416)
Net book amount	48,914	2,908	2,438	7,343	61,603
Nine months ended September 30, 2017					
Opening net book amount	48,914	2,908	2,438	7,343	61,603
Additions	150	1,887	2,612	6,796	11,445
Acquisition of a subsidiary (Note 30)	—	—	—	84	84
Disposals	—	(46)	(306)	(26)	(378)
Depreciation charge	(1,224)	(1,165)	(605)	(2,260)	(5,254)
Closing net book amount	47,840	3,584	4,139	11,937	67,500
As at September 30, 2017					
Cost	64,556	12,485	9,379	27,681	114,101
Accumulated depreciation	(16,716)	(8,901)	(5,240)	(15,744)	(46,601)
Net book amount	47,840	3,584	4,139	11,937	67,500
(Unaudited) Nine months ended September 30, 2016					
Opening net book amount	50,409	3,001	2,658	5,672	61,740
Additions	66	368	369	1,042	1,845
Disposals	(4)	(455)	(148)	(94)	(701)
Depreciation charge	(1,210)	(723)	(625)	(1,391)	(3,949)
Closing net book amount	49,261	2,191	2,254	5,229	58,935
As at September 30, 2016					
Cost	64,356	10,190	6,706	19,153	100,405
Accumulated depreciation	(15,095)	(7,999)	(4,452)	(13,924)	(41,470)
Net book amount	49,261	2,191	2,254	5,229	58,935

Depreciation expenses were charged to the following categories in the consolidated statements of comprehensive income:

	Year ended December 31,			Nine months ended September 30,	
	2014	2015	2016	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Cost of sales	5,514	5,743	5,471	3,888	4,103
Selling and marketing expenses	—	—	109	—	777
Administrative expenses	38	55	96	61	374
	5,552	5,798	5,676	3,949	5,254

(a) As at December 31, 2014, 2015 and 2016, buildings with net book value of RMB33,049,000, RMB30,519,000 and RMB29,892,000 respectively were pledged as collateral for related parties' borrowings. As at September 30, 2017, there was no asset pledged (Note 31(f)).

The Company

	Buildings	Transportation equipment	Office equipment	Machinery	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at January 1, 2014					
Cost	63,910	15,210	3,920	14,946	97,986
Accumulated depreciation	(10,762)	(12,814)	(2,327)	(9,635)	(35,538)
Net book amount	53,148	2,396	1,593	5,311	62,448
Year ended December 31, 2014					
Opening net book amount	53,148	2,396	1,593	5,311	62,448
Additions	207	806	1,089	1,569	3,671
Disposals	—	—	(83)	(157)	(240)
Depreciation charge	(1,527)	(641)	(458)	(1,582)	(4,208)
Closing net book amount	51,828	2,561	2,141	5,141	61,671
As at December 31, 2014					
Cost	64,117	16,004	4,705	13,864	98,690
Accumulated depreciation	(12,289)	(13,443)	(2,564)	(8,723)	(37,019)
Net book amount	51,828	2,561	2,141	5,141	61,671
Year ended December 31, 2015					
Opening net book amount	51,828	2,561	2,141	5,141	61,671
Additions	144	389	583	1,214	2,330
Disposals	—	(514)	(69)	(27)	(610)
Depreciation charge	(1,592)	(729)	(651)	(1,539)	(4,511)
Closing net book amount	50,380	1,707	2,004	4,789	58,880
As at December 31, 2015					
Cost	64,259	10,693	4,817	14,641	94,410
Accumulated depreciation	(13,879)	(8,986)	(2,813)	(9,852)	(35,530)
Net book amount	50,380	1,707	2,004	4,789	58,880
Year ended December 31, 2016					
Opening net book amount	50,380	1,707	2,004	4,789	58,880
Additions	119	1,372	470	1,423	3,384
Disposals	(4)	(186)	(20)	(98)	(308)
Depreciation charge	(1,609)	(703)	(650)	(1,544)	(4,506)
Closing net book amount	48,886	2,190	1,804	4,570	57,450
As at December 31, 2016					
Cost	64,373	7,238	5,143	15,356	92,110
Accumulated depreciation	(15,487)	(5,048)	(3,339)	(10,786)	(34,660)
Net book amount	48,886	2,190	1,804	4,570	57,450
Nine months ended September 30, 2017					
Opening net book amount	48,886	2,190	1,804	4,570	57,450
Additions	149	1,417	1,541	3,197	6,304
Disposals	—	(45)	(16)	(16)	(77)
Depreciation charge	(1,219)	(841)	(475)	(1,179)	(3,714)
Closing net book amount	47,816	2,721	2,854	6,572	59,963

	Buildings	Transportation equipment	Office equipment	Machinery	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at September 30, 2017					
Cost	64,520	7,989	6,546	18,108	97,163
Accumulated depreciation	(16,704)	(5,268)	(3,692)	(11,536)	(37,200)
Net book amount	47,816	2,721	2,854	6,572	59,963
(Unaudited) Nine months ended September 30, 2016					
Opening net book amount	50,380	1,707	2,004	4,789	58,880
Additions	66	144	288	869	1,367
Disposals	(4)	(184)	(2)	(49)	(239)
Depreciation charge	(1,205)	(470)	(476)	(1,204)	(3,355)
Closing net book amount	49,237	1,197	1,814	4,405	56,653
As at September 30, 2016					
Cost	64,320	6,040	5,043	15,310	90,713
Accumulated depreciation	(15,083)	(4,843)	(3,229)	(10,905)	(34,060)
Net book amount	49,237	1,197	1,814	4,405	56,653

(a) As at December 31, 2014, 2015 and 2016, buildings with net book value of RMB33,049,000, RMB30,519,000 and RMB29,892,000 and respectively were pledged as collateral for the borrowings of a related party. As at September 30, 2017, there was no asset pledged (Note 31(f)).

16 Intangible assets

	Computer software	Trademarks	Customer relationship	Goodwill	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at January 1, 2014					
Cost	3,189	—	—	—	3,189
Accumulated amortization	(468)	—	—	—	(468)
Net book amount	2,721	—	—	—	2,721
Year ended December 31, 2014					
Opening net book amount	2,721	—	—	—	2,721
Additions	870	—	—	—	870
Amortization	(428)	—	—	—	(428)
Closing net book amount	3,163	—	—	—	3,163
As at December 31, 2014					
Cost	4,059	—	—	—	4,059
Accumulated amortization	(896)	—	—	—	(896)
Net book amount	3,163	—	—	—	3,163
Year ended December 31, 2015					
Opening net book amount	3,163	—	—	—	3,163
Additions	853	—	—	—	853
Amortization	(533)	—	—	—	(533)
Closing net book amount	3,483	—	—	—	3,483
As at December 31, 2015					
Cost	4,912	—	—	—	4,912
Accumulated amortization	(1,429)	—	—	—	(1,429)
Net book amount	3,483	—	—	—	3,483

	Computer software	Trademarks	Customer relationship	Goodwill	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Year ended December 31, 2016					
Opening net book amount	3,483	—	—	—	3,483
Additions	7,920	—	—	—	7,920
Amortization	(665)	—	—	—	(665)
Closing net book amount	10,738	—	—	—	10,738
As at December 31, 2016					
Cost	12,832	—	—	—	12,832
Accumulated amortization	(2,094)	—	—	—	(2,094)
Net book amount	10,738	—	—	—	10,738
Nine months ended September 30, 2017					
Opening net book amount	10,738	—	—	—	10,738
Additions	7,651	—	—	—	7,651
Acquisition of a subsidiary (Note 30)	—	18,000	77,000	918,967	1,013,967
Amortization	(1,108)	(900)	(2,406)	—	(4,414)
Closing net book amount	17,281	17,100	74,594	918,967	1,027,942
As at September 30, 2017					
Cost	20,483	18,000	77,000	918,967	1,034,450
Accumulated amortization	(3,202)	(900)	(2,406)	—	(6,508)
Net book amount	17,281	17,100	74,594	918,967	1,027,942
(Unaudited) Nine months ended September 30, 2016					
Opening net book amount	3,483	—	—	—	3,483
Additions	577	—	—	—	577
Amortization	(449)	—	—	—	(449)
Closing net book amount	3,611	—	—	—	3,611
As at September 30, 2016					
Cost	5,489	—	—	—	5,489
Accumulated amortization	(1,878)	—	—	—	(1,878)
Net book amount	3,611	—	—	—	3,611

Amortization of other intangible assets has been charged to profit or loss as follows:

	Year ended December 31,			Nine months ended September 30,	
	2014	2015	2016	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Cost of sales	393	481	537	393	3,717
Selling and marketing expenses	—	—	65	1	567
Administrative expenses	35	52	63	55	130
	428	533	665	449	4,414

On June 30, 2017, the Company completed its acquisition of 100% of the equity interests in Greenland Property Services (the "Acquisition") at a consideration of RMB1,000,000,000 (Note 30). Total identifiable net assets of Greenland Property Services was amounted to RMB81,033,000, including trademarks of RMB18,000,000 and customer relationship of RMB77,000,000 recognized by the Group.

According to the investment cooperation framework agreement with Greenland Holdings, Greenland Property Services was authorized to use the trademark and brand of "Greenland Property Services" which is held by Greenland Holdings on a royalty-free basis for a period of five years. Management thus considered that the trademark of "Greenland Property Services" is separable and meets the definition of an asset. The useful life of trademark is determined with reference to the royalty-free period.

Customer relationship primarily related to the existing contracts of Greenland Property Services on the acquisition date, and Greenland Property Services' entitlement to the yearly incremental property gross floor areas under management committed by Greenland Holdings for the period from January 1, 2018 to December 31, 2022 according to the investment cooperation framework agreement with Greenland Holdings. A large portion of the existing contracts of Greenland Property Services are with no specific expiration date and the remaining contracts are with contract periods of two to five years. Considering that Greenland Holdings will commit the incremental gross floor areas during the five-year period from January 1, 2018 to December 31, 2022 and termination or non-renewal of property management contracts with the property developers or property owners' association are uncommon, the Group estimates the useful life and determines the amortization period of the customer relationship to be eight years with reference to its industry experience.

The excess of the consideration transferred over the fair value of the identifiable net assets acquired is recorded as goodwill.

A valuation was performed by an independent valuer to determine the provisional amount of the trademarks and customer relationship. Methods and key assumptions in determining the fair value of trademarks and customer relationship as at June 30, 2017 are disclosed as follow:

	Valuation technique	Discount rate	Expected life of the intangible assets
Trademarks	Discounted cash flow	15%	5 years
Customer relationship	Discounted cash flow	16%	8 years

Goodwill of RMB918,967,000, as provisionally determined, arising from the Acquisition was mostly allocated to the property management business operated by Greenland Property Services.

The consideration of RMB1,000,000,000 was based on an arm's-length negotiation taking into account the prospect of the business cooperation between Greenland Holdings and its subsidiaries and the Company.

As at September 30, 2017, management performed an impairment assessment on the goodwill and intangible assets. The recoverable amount of the property management business operated by Greenland Property Services has been assessed by an independent valuer and determined based on value-in-use ("VIU") calculation. The calculation used cash flow projections was based on financial budgets covering a seven-year period approved by management. Management extended the five-year projections as suggested by HKAS 36 for additional two years projection based on the considerations as follows:

(i) Based on past experience, termination or non-renewal of property management contracts with the property developers or property owners' association are uncommon. In addition, the monthly property management fee and the percentage of cost to income generated from property management are stable. These provide a reasonable basis for management to forecast cash flows reliably over a longer period.

(ii) During the period from January 1, 2018 to December 31, 2022, the significant increment in projected revenue of Greenland Property Services is primarily attributable to the 10 million sq.m. incremental gross floor areas under management each year according to the investment cooperation framework agreement with Greenland Holdings. Management considered that before the projections move into a long term stable period, such momentum of revenue growth during 2018 to 2022 will continue for another two years after 2022, during which the annual revenue growth rate gradually drops from 30% in year 2022 to 16% in year 2023 and further drops to a normal level of 7% in year 2024.

The following table sets forth each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill and other intangible assets:

Revenue 2018 (% annual growth rate)	305%
Revenue 2019 (% annual growth rate)	129%
Revenue – 2020 to 2024 (% annual growth rate)	7% –60%
Gross margin (% of revenue)	23%
Long-term growth rate	3%
Pre-tax discount rate	18%

As at September 30, 2017, the recoverable amount of RMB1,105 million of the property management business operated by Greenland Property Services calculated based on VIU exceeded its carrying value of RMB1,009 million by RMB96 million. A 1.72% decrease in estimated annual revenue growth rate, a 0.45% decrease in estimated gross margin, a 2.51% decrease in estimated long term growth rate or a 1.18% increase in estimated discount rate, all changes taken in isolation in the VIU calculations, would remove the remaining headroom.

By reference to the recoverable amount assessed by the independent valuer as at September 30, 2017, the directors of the Company determined that no impairment provision on goodwill and other intangible assets was required as at September 30, 2017.

17 Financial instruments by category

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Financial asset				
Trade and other receivables excluding prepayments	471,384	336,893	212,764	786,921
Loans and interest receivable due from related parties	795,413	596,899	1,036,000	13,248
Cash and cash equivalents	207,101	204,374	523,163	327,762
Restricted cash	2,080	3,290	3,304	3,613
	1,475,978	1,141,456	1,775,231	1,131,544
Financial liabilities at amortized costs				
Borrowings	784,110	586,100	795,385	—
Trade and other payables excluding non-financial liabilities	528,700	225,004	368,361	492,509
	1,312,810	811,104	1,163,746	492,509

18 Inventories

The Group

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Parking lots and shops	45,705	31,786	18,684	4,717
Consumables	6,766	6,393	8,456	13,679
Food and beverages	1,448	1,186	92	—
Less: allowance for impairment	(2,738)	(6,062)	(2,971)	(394)
	51,181	33,303	24,261	18,002

The Company

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Parking lots and shops	45,706	31,785	18,684	4,717
Consumables	5,678	5,407	7,509	11,709
Food and beverages	1,394	1,141	92	—
Less: allowance for impairment	(2,738)	(6,062)	(2,971)	(394)
	50,040	32,271	23,314	16,032

19 Trade and other receivables

The Group

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables (Note (a))				
— Related parties (Note 31(d))	224,250	89,368	37,872	165,730
— Third parties	47,285	69,133	104,855	129,728
	271,535	158,501	142,727	295,458
Less: allowance for impairment of trade receivables	(3,961)	(5,040)	(6,407)	(7,868)
	267,574	153,461	136,320	287,590
Other receivables				
— Related parties (Note 31(d))	179,658	149,661	10,345	14,271
— Third parties	25,978	35,367	67,701	87,282
— Wealth management products (Note (b))	—	—	—	400,000
	205,636	185,028	78,046	501,553
Less: allowance for impairment of other receivables	(1,826)	(1,596)	(1,602)	(2,222)
	203,810	183,432	76,444	499,331
Prepayments				
— Third parties	4,116	5,514	10,352	29,085
	475,500	342,407	223,116	816,006

The Company

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables				
– Related parties	201,940	67,018	34,768	69,800
– Third parties	24,845	46,390	80,331	59,506
	226,785	113,408	115,099	129,306
Less: allowance for impairment of trade receivables	(2,121)	(2,268)	(3,019)	(3,359)
	224,664	111,140	112,080	125,947
Other receivables				
– Subsidiaries	4,832	32,853	18,268	31,174
– Related parties	155,739	127,321	2,173	2,120
– Third parties	18,664	18,766	42,046	49,995
– Wealth management products (Note (b))	—	—	—	400,000
	179,235	178,940	62,487	483,289
Less: allowance for impairment of other receivables	(1,676)	(1,220)	(889)	(775)
	177,559	177,720	61,598	482,514
Prepayments				
– Third parties	4,074	5,061	8,533	24,006
	406,297	293,921	182,211	632,467

(a) Trade receivables mainly represented the receivables of outstanding property management service fee and the receivables of value-added service income.

Property management services income and value-added service income are received in accordance with the terms of the relevant services agreements, and due for payment upon the issuance of demand note.

In determining the recoverability of trade receivables from the property management and value-added services, the Group takes into consideration a number of indicators, including, among others, subsequent settlement status, historical write-off experience and management/service fee collection rate of the customers in estimating the future cashflows from the receivables.

As at December 31, 2014, 2015, 2016 and September 30, 2017, the aging analysis of the trade receivables based on invoice date were as follows:

The Group

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
0-180 days	51,314	66,647	106,989	209,301
181-365 days	143,753	78,967	17,361	42,455
1 to 2 years	69,377	5,818	9,128	30,939
2 to 3 years	4,501	2,842	3,861	6,329
Over 3 years	2,590	4,227	5,388	6,434
	271,535	158,501	142,727	295,458

As at December 31, 2014, 2015 and 2016 and September 30, 2017, trade receivables of RMB267,574,000, RMB153,461,000, RMB136,320,000 and RMB287,590,000 were fully performing.

The Company

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
0-180 days	39,125	52,624	94,711	97,824
181-365 days	121,832	56,049	11,669	17,232
1 to 2 years	63,625	2,512	5,059	9,537
2 to 3 years	985	881	1,679	2,551
Over 3 years	1,218	1,342	1,981	2,162
	226,785	113,408	115,099	129,306

As of December 31, 2014, 2015 and 2016 and September 30, 2017, overdue trade receivables of RMB224,664,000, RMB111,140,000, RMB112,080,000 and RMB125,947,000 were fully performing.

The aging analysis of trade receivables which are past due but not impaired based on due date is as follows:

The Group

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Up to 1 year	194,114	144,209	123,827	251,513
1 to 2 years	68,707	5,019	7,373	28,835
2 to 3 years	3,561	2,247	2,571	4,439
Over 3 years	1,192	1,986	2,549	2,803
	267,574	153,461	136,320	287,590

The Company

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Up to 1 year	160,044	107,875	105,893	114,878
1 to 2 years	63,366	2,043	4,203	8,586
2 to 3 years	747	678	1,138	1,816
Over 3 years	507	544	846	667
	224,664	111,140	112,080	125,947

The Group

Included in the Group's trade receivable balance are debtors with carrying amounts of approximately RMB3,961,000, RMB5,040,000, RMB6,407,000 and RMB7,868,000 as at December 31, 2014, 2015 and 2016 and September 30, 2017 respectively, which are fully impaired. The Group did not hold any collateral over these balances.

The Company

Included in the Company's trade receivable balance are debtors with carrying amounts of approximately RMB2,121,000, RMB2,268,000, RMB3,019,000 and RMB3,359,000 as at December 31, 2014, 2015, 2016 and September 30, 2017 respectively, which are fully impaired. The Company did not hold any collateral over these balances.

Movements on the provision for impairment of trade receivables are as follows:

The Group

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period	5,227	3,961	5,040	6,407
Provision for receivables impairment	741	1,925	1,498	2,851
Receivables written off as uncollectable	(1,851)	(692)	(111)	—
Unused amounts reversed	(156)	(154)	(20)	(1,390)
At the end of the year/period	3,961	5,040	6,407	7,868

The Company

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period	3,587	2,121	2,268	3,019
Provision for receivables impairment	541	983	875	1,720
Receivables written off as uncollectable	(1,851)	(685)	(112)	—
Unused amounts reversed	(156)	(151)	(12)	(1,380)
At the end of the year/period	2,121	2,268	3,019	3,359

(b) This represents principal protected wealth management products from reputable PRC banks with fixed interest rate and a short term maturity of approximately thirty days.

20 Loans and interest receivables due from related parties

The Group

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Loans and interest receivables due from related parties (Note (a))				
— Non-current	784,110	586,100	630,666	—
— Current	11,303	10,799	405,334	13,248
	795,413	596,899	1,036,000	13,248

The Company

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Loans and interest receivables due from related parties (Note (a))				
— Non-current	—	—	630,666	—
— Current	—	—	405,334	13,248
	—	—	1,036,000	13,248

(a) Loans to related parties (Note 31(e)) carry variable interest rates ranging from 3.86% to 8.33% per annum, the maturities of the loans are between 6 months to 71 months.

21 Restricted cash

The Group

Restricted cash primarily represents a subsidiary's cash deposits in the bank as performance security for property management services according to the requirements of local government authority.

22 Share capital

The paid-in capital of the Company as at December 31, 2014, 2015 and 2016 was RMB 50,000,000.

On July 21, 2017, the Company was converted from a limited liability company into a joint stock company with limited liability. The share capital as at September 30, 2017 represented the share capital of the Company as follows:

	Number of ordinary shares	Share capital
		RMB'000
Authorised		
As at September 30, 2017	1,000,000,000	1,000,000
Issued and fully paid		
Issue of shares upon the Company's conversion from a limited liability company into a joint stock company (Note (a))	50,000,000	50,000
Transfer from other reserve to share capital (Note (b))	22,000,000	22,000
Issue of shares to Gongqingcheng Investment (Note (c))	8,000,000	8,000
Issue of shares to Ningbo Lvjin Investment Management Co., Ltd. ("Ningbo Lvjin", 寧波綠璡投資管理有限公司) and Greenland Financial Overseas Investment Group Co., Ltd. ("Greenland Overseas", 綠地金融海外投資集團有限公司) (Note (d))	20,000,000	20,000
Transfer from other reserve to share capital (Note (e))	900,000,000	900,000
Total share capital as at September 30, 2017	1,000,000,000	1,000,000

(a) On July 21, 2017, the Company was converted from a limited liability company into a joint stock company with limited liability. By reference to the Company's net asset value as at June 30, 2017, the Company issued 50,000,000 shares with a nominal value of RMB1 each to two shareholders, where Zhongshan A-Living held 49,500,000 shares, representing 99% of the share capital of the Company, and Deluxe Star held 500,000 shares, representing 1% of the share capital of the Company. The difference between the net asset value and the share capital was recognized as capital reserve of the Company. Upon completion of the conversion, the Company's name was changed from Agile Property Management Services Co., Ltd. to A-Living Services Co., Ltd..

(b) On July 24, 2017, pursuant to a resolution of the Company's extraordinary general meeting, the Company's capital reserve of RMB22,000,000 was converted into share capital of the Company. Upon completion of the conversion, the Company's share capital increased by RMB22,000,000 from RMB50,000,000 to RMB72,000,000.

(c) Pursuant to the board resolution dated March 27, 2017, it was approved that the Company would implement a senior management share incentive plan (the "Incentive Plan"). According to the Incentive Plan, upon completion of the Company's conversion into a joint stock limited liability company, Mr. Liu Deming (劉德明), Mr. Feng Xin (馮欣) and Mr. Li Dalong (李大龍) (collectively referred to as the "Designated Senior Management") shall subscribe for 8,000,000 shares of the Company at cash consideration of RMB200,000,000. The subscription price was by reference to the fair value of the Group as appraised by an independent valuer with December 31, 2016 as the base date of the valuation.

On July 26, 2017, the Company and Gongqingcheng A-Living Investment Management Limited Partnership ("Gongqingcheng Investment"), a limited partnership established by the Designated Senior Management, entered into a capital increase agreement. On July 31, 2017, the payment for the subscription amounting to RMB200,000,000 was completed. Upon completion of the subscription, the Company's share capital and capital reserve increased by RMB8,000,000 and RMB192,000,000 respectively.

(d) Pursuant to the capital increase agreements dated August 10, 2017, Ningbo Lvjin and Greenland Overseas agreed to subscribe for 10,000,000 shares and 10,000,000 shares of the company respectively at cash consideration of RMB500,000,000 and HKD584,795,000 (translated into RMB498,637,000 using the spot exchange rate of August 15, 2017) respectively. The payment for the subscription amounts were completed on August 11, 2017 and August 15, 2017 respectively. Upon completion of the subscription, the Company's share capital and capital reserve increased by RMB20,000,000 and RMB978,637,000 respectively.

(e) On August 21, 2017, the Company passed a resolution of shareholders' general meeting to increase the share capital of the Company from RMB100,000,000 to RMB1,000,000,000. The increased portion was converted from the capital reserve of the Company and the shareholding structure of the Company remains unchanged.

23 Reserves

The Group

	Statutory reserve	Other reserve	Total
	RMB'000	RMB'000	RMB'000
As at January 1, 2014 (Note (a))	1,085	62,947	64,032
Appropriation of statutory reserves (Note (b))	334	—	334
As at December 31, 2014	1,419	62,947	64,366
As at December 31, 2015	1,419	62,947	64,366
Appropriation of statutory reserves (Note (b))	9,655	—	9,655
Capital contribution from the then shareholders	—	15,500	15,500
Contribution from a related party (Note (c))	—	15,976	15,976
As at December 31, 2016	11,074	94,423	105,497
Appropriation of statutory reserves (Note (b))	28,809	—	28,809
Capital contribution from the then shareholders	—	1,000	1,000
Effect of the Company's conversion from a limited liability company into a joint stock company (Note 22(a))	(18,304)	23,407	5,103
Effect of the Reorganization (Note (d))	—	(32,392)	(32,392)
Transactions with NCI (Note (d))	—	4,944	4,944
Issue of shares (Note 22(c), (d))	—	1,170,637	1,170,637
Transfer from capital reserve to share capital (Note 22(b), (e))		(922,000)	(922,000)
As at September 30, 2017	21,579	340,019	361,598

The Company

	Statutory reserve	Other reserve	Total
	RMB'000	RMB'000	RMB'000
As at January 1, 2014 (Note (a))	—	49,347	49,347
As at December 31, 2014	—	49,347	49,347
As at December 31, 2015	—	49,347	49,347
Appropriation of statutory reserves (Note (b))	9,071	—	9,071
Contribution from a related party	—	4,679	4,679
As at December 31, 2016	9,071	54,026	63,097
Appropriation of statutory reserves (Note (b))	27,034	—	27,034
Effect of the Company's conversion from a limited liability company into a joint stock company (Note 22(a))	(18,304)	23,407	5,103
Effect of the Reorganization	—	(17,817)	(17,817)
Issue of shares (Note 22(c), (d))	—	1,170,637	1,170,637
Transfer from capital reserve to share capital (Note 22(b), (e))		(922,000)	(922,000)
As at September 30, 2017	17,801	308,253	326,054

(a) Other reserve as at January 1, 2014 represents donation of buildings from related parties before the Relevant Periods.

(b) PRC statutory reserve

In accordance with relevant rules and regulations in the PRC, except for sino-foreign equity joint venture enterprises, all PRC companies are required to transfer 10% of their profit after taxation calculated under PRC accounting rules and regulations to the statutory reserve fund, until the accumulated total of the fund reaches 50% of their registered capital. The statutory reserve fund can only be used, upon approval by the relevant authority, to offset losses carried forward from previous years or to increase capital of the respective companies.

(c) During the year ended December 31, 2016, certain expenses of the Group amounting to RMB15,976,000 were settled by Agile Property Land Co., Ltd. ("Agile Property Land"), a related party controlled by Agile Holdings. Such expenses were not recharged to the Group and therefore deemed as contribution from then shareholders and recorded directly in equity.

(d) During the period from July 4, 2017 to August 9, 2017, the Company acquired the entire equity interest in the Operating Companies from their intermediate holding companies under Agile Holdings at total consideration of RMB33,772,000, among which, RMB1,380,000 was deemed as consideration for repurchasing the 30% of the NCI of Hainan Agile (Note 12(c)). The difference of RMB4,944,000 between the carrying value of the NCI of Hainan Agile and the consideration paid was recorded as other reserve.

24 Trade and other payables

The Group

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables (Note (a))				
— Related parties (Note 31 (d))	270	231	231	17
— Third parties	50,646	60,336	103,270	165,242
	50,916	60,567	103,501	165,259
Other payables				
— Related parties (Note 31 (d))	378,700	18,344	53,604	66,849
— Third parties	99,084	146,093	211,256	260,401
	477,784	164,437	264,860	327,250
Advances from customers				
— Related parties (Note 31 (d))	—	—	17,890	21,948
— Third parties	170,374	207,991	271,745	245,477
	170,374	207,991	289,635	267,425
Accrued payroll	70,041	79,790	91,128	77,231
Other taxes payables	9,803	16,133	12,182	15,384
	778,918	528,918	761,306	852,549

The Company

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables (Note (a))				
— Related parties	270	231	4,366	18,033
— Third parties	42,580	48,359	81,656	90,227
	42,850	48,590	86,022	108,260
Other payables				
— Subsidiaries	7,153	53,874	86,375	59,677
— Related parties	281,648	10,264	46,526	24,905
— Third parties	77,800	120,379	178,733	184,719
	366,601	184,517	311,634	269,301
Advances from customers				
— Related parties	—	—	8,470	11,132
— Third parties	134,317	169,030	216,424	176,973
	134,317	169,030	224,894	188,105
Accrued payroll	55,656	65,524	77,190	61,561
Other taxes payables	7,061	11,463	9,919	10,917
	606,485	479,124	709,659	638,144

(a) As at December 31, 2014, 2015 and 2016 and September 30, 2017, the aging analysis of the trade payables (including amounts due to related parties of trading in nature) based on invoice date were as follows:

The Group

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Up to 1 year	42,501	52,976	93,963	155,293
1 to 2 years	1,426	2,416	3,584	2,744
2 to 3 years	1,398	745	1,989	2,757
Over 3 years	5,591	4,430	3,965	4,465
	50,916	60,567	103,501	165,259

The Company

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Up to 1 year	34,689	41,372	77,326	99,025
1 to 2 years	1,370	2,287	3,114	2,371
2 to 3 years	1,366	689	1,861	2,637
Over 3 years	5,425	4,242	3,721	4,227
	42,850	48,590	86,022	108,260

The balances of trade payables over 1 year mainly represent the amounts due to third party constructors for renovation and maintenance services.

25 Borrowings

The Group

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Non-current				
Other borrowings — secured (Note (a))	784,110	586,100	—	—
ABS (Note (b))	—	—	795,385	—
Less: current portion of non-current borrowings	(179,000)	(144,000)	(199,793)	—
	605,110	442,100	595,592	—
Current				
Current portion of non-current borrowings	179,000	144,000	199,793	—
	784,110	586,100	795,385	—

The Company

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Non-current				
ABS (Note (b))	—	—	795,385	—
Less: current portion of non-current borrowings	—	—	(199,793)	—
	—	—	595,592	—
Current				
Current portion of non-current borrowings	—	—	199,793	—
	—	—	795,385	—

All of the Group's borrowings are denominated in RMB.

(a) A subsidiary of the Group entered into fund agreements with a trust company, pursuant to which the trust company raised funds and lent them to the subsidiary through entrusted banks. According to the agreements, the funds bore fixed interest rates with fixed repayment terms.

The rights on operating income from the properties managed by the subsidiary and the properties owned by a related party were held as collateral by the trust company, and the repayment of the funds was also guaranteed by certain related parties (Note 31(g)).

In June 2016, early redemption was made by the Group with all the funds repaid.

(b) On January 13, 2016, the Company entered into asset-backed securities ("ABS") arrangement with a third party assets management company by pledging of the future 5 years' right of receiving management fee for certain properties under its management. On February 26, 2016, the ABS was formally established with an aggregate nominal value of RMB 1,100,000,000, with a 5-year maturity, amongst which RMB 100,000,000 was subordinated securities purchased by the Company. The net proceeds from the ABS, after deducting the issuance costs and the subordinated securities purchased by the Company, amounted to approximately RMB 975,200,000. The ABS carries nominal interest rate ranging from 5% to 6% per annum.

According to the agreement of ABS, the Company as the issuer is eligible to exercise the right of redeem at redemption start date corresponding to each of the expected mature date, and the redemption is irrevocable once started.

The repayment of the ABS was secured by the ultimate holding company, Agile Holdings (Note 31(g)).

During the six months ended June 30, 2017 and the year ended December 31, 2016, the Company repaid a portion of the principal amount of the ABS, amounting to RMB102,000,000 and RMB291,000,000 respectively.

On September 26, 2017 (the 'Redemption Date'), the Company redeemed the remaining ABS in full at a redemption price equaling to 100% of the principal amount of the ABS and the accrued and unpaid interests as at the Redemption Date. (There is no redemption premium recognized in the consolidated income statement).

(c) As at December 31, 2014, 2015 and 2016 and September 30, 2017, the Group's borrowings were repayable as follows:

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year	179,000	144,000	199,793	—
Between 1 and 2 years	144,000	162,250	204,996	—
Between 2 and 5 years	461,110	279,850	390,596	—
	784,110	586,100	795,385	—

(d) The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at the end of the year/period are within 1 to 5 years.

(e) The fair value of borrowings approximates their carrying amount, as the impact of discounting is not significant.

26 Deferred income tax

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Deferred tax assets:				
— Deferred tax asset to be recovered after more than 12 months	2,301	5,242	13,247	8,740
— Deferred tax asset to be recovered within 12 months	3,100	3,254	3,425	5,052
	5,401	8,496	16,672	13,792
Deferred tax liabilities:				
— Deferred tax liability to be recovered after more than 12 months	—	—	—	(19,616)
— Deferred tax liability to be recovered within 12 months	(73)	(60)	(99)	(3,376)
	(73)	(60)	(99)	(22,992)
	5,328	8,436	16,573	(9,200)

The movement in deferred income tax assets and liabilities during the Relevant Periods, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	Deferred tax assets — allowance on doubtful debts	Deferred tax assets — impairment of inventories	Deferred tax assets — deductible tax losses	Deferred tax assets — accrued expenses	Deferred tax liabilities — excess of carrying amount of other intangible assets over the tax bases	Deferred tax liabilities — differences on recognition of depreciation	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at January 1, 2014	1,530	—	5,499	1,184	—	—	8,213
(Charged)/credited to the consolidated statements of comprehensive income	(83)	684	(2,388)	132	—	(1,230)	(2,885)
At December 31, 2014	1,447	684	3,111	1,316	—	(1,230)	5,328
Credited to the consolidated statements of comprehensive income	212	965	142	1,688	—	101	3,108
At December 31, 2015	1,659	1,649	3,253	3,004	—	(1,129)	8,436
Credited to the consolidated statements of comprehensive income	343	—	183	7,575	—	36	8,137
At December 31, 2016	2,002	1,649	3,436	10,579	—	(1,093)	16,573
As at January 1, 2017	2,002	1,649	3,436	10,579	—	(1,093)	16,573
Credited/(charged) to the consolidated statements of comprehensive income	(40)	(6)	712	(3,889)	826	(374)	(2,771)
Acquisition of a subsidiary (Note 30)	474	—	—	274	(23,750)	—	(23,002)
At September 30, 2017	2,436	1,643	4,148	6,964	(22,924)	(1,467)	(9,200)

27 Dividends

	Year ended December 31,			Nine months ended September 30,	
	2014	2015	2016	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Dividends	—	—	—	—	297,975

During the nine months ended September 30, 2017, entities within the Group and the Company declared dividends of RMB297,975,000 (of which, RMB28,370,000 was declared to the non-controlling interest holder) and RMB160,000,000 respectively to their then shareholders before the Reorganization was completed.

28 Cash generated from operations

	Year ended December 31,			Nine months ended September 30,	
	2014	2015	2016	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Profit before income tax	63,851	99,408	231,756	173,373	270,334
Adjustments for:					
— Depreciation of property, plant and equipment (Note 15)	5,552	5,798	5,676	3,949	5,254
— Amortization of other intangible assets (Note 16)	428	533	665	449	4,414
— Impairment provision for trade and other receivables, net	1,516	1,540	1,484	1,350	184
— Impairment/(Reversal of) provision for inventories	2,738	3,857	—	—	(24)
— Losses/(gains) on disposal of property, plant and equipment	260	327	219	17	(12)
— Finance income (Note 11)	(79,523)	(66,902)	(86,098)	(68,490)	(53,070)
— Finance cost (Note 11)	78,513	55,321	71,492	56,889	48,791
— Other income	—	—	—	—	(4,151)
Changes in working capital:					
— Inventories	(40,538)	14,554	12,133	5,503	8,836
— Trade and other receivables	(148,043)	(164,539)	(21,398)	(50,102)	(95,618)
— Trade and other payables	131,920	109,706	196,171	112,486	(20,495)
	16,674	59,603	412,100	235,424	164,443

The reconciliation of liabilities arising from financing activities is as follows:

	Borrowings	Other payables — related parties	Dividends payable	Total
	RMB'000	RMB'000	RMB'000	RMB'000
As at January 1, 2014	1,549,850	399,605	—	1,949,455
Cash flows				
— Outflow from financing activities	(765,740)	(20,905)	—	(786,645)
As at December 31, 2014	784,110	378,700	—	1,162,810
As at January 1, 2015	784,110	378,700	—	1,162,810
Cash flows				
— Outflow from financing activities	(198,010)	(93,570)	—	(291,580)
Non-cash changes				
— Offsetting assets and liabilities(a)	—	(266,786)	—	(266,786)
As at December 31, 2015	586,100	18,344	—	604,444
As at January 1, 2016	586,100	18,344	—	604,444
Cash flows				
— Inflow from financing activities	1,078,200	35,260	—	1,113,460
— Outflow from financing activities	(877,100)	—	—	(877,100)
Non-cash changes				
— Finance expense recognized	8,185	—	—	8,185
As at December 31, 2016	795,385	53,604	—	848,989
As at January 1, 2017	795,385	53,604	—	848,989
Cash flows				
— Inflow from financing activities	—	13,245	—	13,245
— Outflow from financing activities	(809,000)	—	(297,975)	(1,106,975)
Non-cash changes				
— Finance expense recognized	13,615	—	—	13,615
— Accrued dividends payable	—	—	297,975	297,975
As at September 30, 2017	—	66,849	—	66,849
(Unaudited)				
As at January 1, 2016	586,100	18,344	—	604,444
Cash flows				
— Inflow from financing activities	1,078,200	18,293	—	1,096,493
— Outflow from financing activities	(826,100)	—	—	(826,100)
Non-cash changes				
— Finance expense recognized	3,378	—	—	3,378
As at September 30, 2016	841,578	36,637	—	878,215

(a) Pursuant to a series of debtor-creditor transfer agreements entered into between the Group and certain related parties controlled by Agile Holdings, by reference to the related party balances as at October 31, 2015, the Group's other payables to related parties amounting to RMB 266,786,000 was offset by its receivables from certain related parties.

29 Commitments

(a) Capital commitments

Capital expenditures contracted for at the end of the year/period but not yet incurred is as follows:

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Other intangible assets	—	—	—	4,403

(b) Operating lease commitments — as lessee

The Group leases offices and staff dormitories under non-cancellable operating lease agreements. The lease terms are between 1 and 8 years, and the majority of lease agreements are signed with related parties and renewable at the end of the lease period at market rate.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
No later than 1 year	18,227	14,840	12,720	23,900
Later than 1 year and no later than 5 years	37,210	29,809	23,966	28,486
Later than 5 years	7,864	5,675	2,645	363
	63,301	50,324	39,331	52,749

30 Business combinations

On June 30, 2017, the Company completed its acquisition of 100% of the equity interests in Greenland Property Services at a consideration of RMB1,000,000,000. Since the acquisition of Greenland Property Services occurred on June 30, 2017, management has decided to account for the business combination using provisionally determined amounts for goodwill, other intangible assets (trademarks and customer relationship) and deferred tax liabilities arising from business combination.

Goodwill of RMB918,967,000 primarily arose from the expected future development of Greenland Property Services' business, improvement on market coverage, enriching the service portfolio, integrating value-added services, and improvement on management efficiency, etc.. Goodwill recognized is not expected to be deductible for income tax purposes.

The following table summarizes the consideration paid for Greenland Property Services, the fair value of assets acquired, liabilities assumed at the acquisition date.

Consideration:

At June 30, 2017	**RMB'000**
Consideration (Note (a))	**1,000,000**
Recognized amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	18,818
Property, plant and equipment	84
Trademarks (included in other intangible assets) (Note 16, Note (c))	18,000
Customer relationship (included in other intangible assets) (Note 16, Note (c))	77,000
Deferred income tax assets	748
Inventories	45
Trade and other receivables	95,427
Trade and other payables	(103,891)
Deferred income tax liabilities	(23,750)
Current income tax liabilities	(1,448)
Total identifiable net assets	**81,033**
Goodwill (Note 16)	**918,967**

(a) As at June 30, 2017, 51% of the consideration (equivalent to RMB510,000,000) had been paid by the Group. The remaining consideration of RMB490,000,000 was paid on August 10, 2017.

(b) Had Greenland Property Services been consolidated from January 1, 2017, the consolidated statements of comprehensive income for the period ended September 30, 2017 would show pro-forma revenue of RMB1,229,342,000 and profit of RMB200,232,000.

(c) Other intangible assets including trademarks of RMB18,000,000 and customer relationship of RMB77,000,000 in relation to the acquisition of Greenland Property Services have been recognized by the Group.

(d) Net cash outflow arising on acquisition during the period ended September 30, 2017:

	RMB'000
Cash consideration paid	(1,000,000)
Cash and cash equivalents acquired at the acquisition date	18,818
	(981,182)

31 Related party transactions

(a) Name and relationship with related parties

Name	**Relationship**
Agile Holdings 雅居樂集團控股有限公司	Ultimate holding company
Zhongshan A-Living 中山雅生活企業管理服務有限公司	Controlling shareholder of the Company
Deluxe Star 旺紀國際有限公司	Shareholder of the Company
Greenland Holdings 綠地控股集團股份有限公司	Non-controlling shareholder of the Group
Mr. Chan Cheuk Yin 陳卓賢先生	A Founding Shareholder of Agile Holdings
Founding Shareholders, including Mr. Chen Zhuo Lin, Mr. Chan Cheuk Yin, Ms. Luk Sin Fong, Fion, Mr. Chan Cheuk Hung, Mr. Chan Cheuk Hei, and Mr. Chan Cheuk Nam (the "Founding Shareholders")	Founding shareholders of Agile Holdings

Name	Relationship
Hainan Real Estate 海南雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Zhongshan Ever Creator Real Estate Development Co., Ltd.* ("Zhongshan Ever Creator") 中山市雅建房地產發展有限公司	Controlled by the same ultimate holding company
Sichuan Agile Real Estate Development Co., Ltd.* 四川雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Guangzhou Yaheng Real Estate Development Co., Ltd.* 廣州雅恒房地產開發有限公司	Controlled by the same ultimate holding company
Guangzhou Panyu Agile Realty Development Co., Ltd.* 廣州番禺雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Hainan Yaheng 海南雅恒房地產發展有限公司	Controlled by the same ultimate holding company
Zhongshan Greenville Realty Development Co., Ltd.* 中山市凱茵豪園房地產開發有限公司	Controlled by the same ultimate holding company
Zhongshan Agile Majestic Garden Real Estate Co., Ltd.* ("Zhongshan Majestic Garden") 中山雅居樂雍景園房地產有限公司	Controlled by the same ultimate holding company
Nanjing Binjiang Agile Real Estate Development Co., Ltd.* 南京濱江雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Nanjing Jiangning Agile Real Estate Development Co.,Ltd.* 南京江甯雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Huizhou Bailuhu Tour Enterprise Development Co., Ltd.* 惠州白鷺湖旅遊實業開發有限公司	Controlled by the same ultimate holding company
Guangzhou Huadu Agile Real Estate Development Co., Ltd.* 廣州花都雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Foshan Shunde Agile Real Estate Development Co., Ltd.* 佛山市順德區雅居樂房地產有限公司	Controlled by the same ultimate holding company
Guangzhou Conghua Agile Real Estate Development Co., Ltd.* 廣州從化雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Zhongshan Yajing Real Estate Development Co., Ltd.* ("Zhongshan Yajing") 中山市雅景房地產開發有限公司	Controlled by the same ultimate holding company
Shanghai Jing'an Chengtou Chongqing Land Co., Ltd.* 上海靜安城投重慶市置業有限公司	Controlled by the same ultimate holding company
Liaoning Agile Real Estate Development Co., Ltd.* 遼寧雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Foshan Agile Real Estate Development Co., Ltd.* ("Foshan Agile Real Estate") 佛山市雅居樂房地產有限公司	Controlled by the same ultimate holding company
Zhongshan Yaxin Real Estate Development Co., Ltd.* ("Zhongshan Yaxin") 中山市雅信房地產開發有限公司	Controlled by the same ultimate holding company
Heyuan Agile Real Estate Development Co., Ltd.* 河源市雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Zhongshan Yachuang Real Estate Development Co., Ltd.* 中山市雅創房地產開發有限公司	Controlled by the same ultimate holding company
Guangzhou Yayue Real Estate Development Co., Ltd.* 廣州雅粵房地產開發有限公司	Controlled by the same ultimate holding company
Foshan Sanshui Agile Majestic Garden Real Estate Co., Ltd.* 佛山市三水雅居樂雍景園房地產有限公司	Controlled by the same ultimate holding company

Name	Relationship
Xi'an Agile Property Investment Management Co., Ltd.* 西安雅居樂物業投資管理有限公司	Controlled by the same ultimate holding company
Changzhou Agile Real Estate Development Co., Ltd.* 常州雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Nanjing Yajian Land Co., Ltd.* 南京雅建置業有限公司	Controlled by the same ultimate holding company
Zhongshan Yacheng Real Estate Development Co., Ltd.* 中山市雅誠房地產開發有限公司	Controlled by the same ultimate holding company
Agile Property Land 雅居樂地產置業有限公司	Controlled by the same ultimate holding company
Xi'an Qujiang Agile Real Estate Development Co., Ltd.* 西安曲江雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Chongqing Gangya Land Co., Ltd.* 重慶港雅置業有限公司	Controlled by the same ultimate holding company
Zhongshan Yashang Real Estate Development Co., Ltd.* 中山市雅尚房地產開發有限公司	Controlled by the same ultimate holding company
Tengchong Agile Resort Co., Ltd.* 騰沖雅居樂旅遊置業有限公司	Controlled by the same ultimate holding company
Hainan Yahang Travel Property Co., Ltd.* 海南雅航旅遊置業有限公司	Controlled by the same ultimate holding company
Ruili Agile Resort Co., Ltd.* 瑞麗雅居樂旅遊置業有限公司	Controlled by the same ultimate holding company
Lai'an Agile Real Estate Development Co., Ltd.* 來安雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Nanjing Gaochun Agile Real Estate Development Co., Ltd* 南京高淳雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Xi' an Changya Real Estate Development Co., Ltd.* 西安常雅房地產開發有限公司	Controlled by the same ultimate holding company
Huizhou Huiyang Agile Real Estate Development Co., Ltd* 惠州市惠陽雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Xishuangbanna Agile Resort Co., Ltd.* 西雙版納雅居樂旅遊置業有限公司	Controlled by the same ultimate holding company
Wuxi Agile Real Estate Development Co., Ltd.* 無錫雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Ningxiang Agile Resort Development Co., Ltd.* 甯鄉雅居樂旅遊發展有限公司	Controlled by the same ultimate holding company
Yangzhou Agile Real Estate Development Co., Ltd.* 揚州雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Nantong Agile Real Estate Development Co., Ltd.* 南通雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Zhenjiang Agile Real Estate Development Co., Ltd.* 鎮江雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Shanghai SongJiang Agile Real Estate Development Co., Ltd.* 上海松江雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Hangzhou Yuhang Agile Real Estate Development Co., Ltd.* 杭州余杭雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Kunshan Fuheng Real Estate Development Co., Ltd.* 昆山市富恒房地產開發有限公司	Controlled by the same ultimate holding company
Changsha Agile Real Estate Development Co., Ltd.* 長沙雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Henan Yatong Land Co., Ltd.* 河南雅同置業有限公司	Controlled by the same ultimate holding company
Guangzhou Yayue Real Estate Development Co., Ltd. 廣州雅悅房地產開發有限公司	Controlled by the same ultimate holding company

Name	Relationship
Zhongshan Changjiang Golf Course* 中山長江高爾夫球場	Controlled by the same ultimate holding company
Guangzhou Liwan Agile Real Estate Development Co., Ltd.* 廣州荔灣雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Nanjing Agile Real Estate Development Co., Ltd.* 南京雅居樂房地產開發有限公司	Controlled by the same ultimate holding company
Guangzhou Yasheng Real Estate Development Co., Ltd.* 廣州雅生房地產開發有限公司	Controlled by the same ultimate holding company
Zhongshan Agile Hotel Co., Ltd.* 中山市雅居樂酒店有限公司	Controlled by the same ultimate holding company
Guangdong Xiqiao Commerce Plaza Co., Ltd.* 廣東西樵商貿廣場有限公司	Controlled by the same ultimate holding company
Hong Kong Agile Property Management Services Limited 香港雅居樂物業管理服務有限公司	Controlled by the same ultimate holding company
Zhongshan Fashion Decoration Co., Ltd.* 中山市時興裝飾有限公司	Controlled by the same ultimate holding company
Shanghai Yaheng Real Estate Development Co., Ltd.* ("Shanghai Yaheng") 上海雅恒房地產開發有限公司	Controlled by the same ultimate holding company
Guangzhou Agile Hotel Co., Ltd.* 廣州雅居樂酒店有限公司	Controlled by the same ultimate holding company
Shanxi Haorui Real Estate Development Co., Ltd.* 陝西昊瑞房地產開發有限責任公司	Controlled by the same ultimate holding company
Foshan Sanshui Agile Real Estate Development Co., Ltd.* 佛山市三水雅居樂房地產有限公司	Controlled by the same ultimate holding company
Beijing Jingxi Jingrong Property Co., Ltd.* 北京京西景榮置業有限公司	Controlled by Greenland Holdings
Beijing Greenland Jingmao Real Estate Co., Ltd.* 北京綠地京懋房地產開發有限公司	Controlled by Greenland Holdings
Beijing Greenland Jingyuan Real Estate Co., Ltd.* 北京綠地京源房地產開發有限公司	Controlled by Greenland Holdings
Foshan Bosheng Property Co., Ltd.* 佛山鉑晟置業有限公司	Controlled by Greenland Holdings
Foshan Jiayi Property Co., Ltd.* 佛山嘉逸置業有限公司	Controlled by Greenland Holdings
Guangzhou Haizhu Greenland Real Estate Co., Ltd.* 廣州海珠綠地房地產開發有限公司	Controlled by Greenland Holdings
Guangzhou Jierui Property Co., Ltd.* 廣州傑瑞置業有限公司	Controlled by Greenland Holdings
Guangzhou Lingyue Market Management Co., Ltd.* 廣州領越市場管理有限公司	Controlled by Greenland Holdings
Guangzhou Greenland Real Estate Development Co., Ltd.* 廣州綠地房地產開發有限公司	Controlled by Greenland Holdings
Guangzhou Lvgang Real Estate Co., Ltd.* 廣州綠港房地產開發有限公司	Controlled by Greenland Holdings
Guangzhou Huibang Property Co.,Ltd 廣州市暉邦置業有限公司	Controlled by Greenland Holdings
Guangzhou Mantingfang Real Estate Co., Ltd.* 廣州市滿庭芳房地產開發有限公司	Controlled by Greenland Holdings
Greenland Jinan Real Estate Co., Ltd.* 綠地地產（濟南）有限公司	Controlled by Greenland Holdings
Greenland Jinan Binhe Property Co. Ltd.* 綠地地產濟南濱河置業有限公司	Controlled by Greenland Holdings

Name	Relationship
Greenland Foshan Chancheng Property Co., Ltd.* 綠地集團佛山禪城置業有限公司	Controlled by Greenland Holdings
Greenland Foshan Shunde Lvan Property Co., Ltd.* 綠地集團佛山順德綠安置業有限公司	Controlled by Greenland Holdings
Greenland Foshan Shunde Property Co., Ltd.* 綠地集團佛山順德置業有限公司	Controlled by Greenland Holdings
Greenland Jinan Xihe Property Co. Ltd.* 綠地集團濟南西河置業有限公司	Controlled by Greenland Holdings
Greenland Shandong Property Co., Ltd.* 綠地集團山東置業有限公司	Controlled by Greenland Holdings
Greenland Zhejiang Real Estate Co., Ltd.* 綠地控股集團（浙江）房地產開發有限公司	Controlled by Greenland Holdings
Greenland Hangzhou Dongcheng Real Estate Co., Ltd.* 綠地控股集團杭州東城房地產開發有限公司	Controlled by Greenland Holdings
Greenland Hangzhou Shuangta Property Co., Ltd.* 綠地控股集團杭州雙塔置業有限公司	Controlled by Greenland Holdings
Shanghai Hengshen Property Co., Ltd.* 上海恒申置業有限公司	Controlled by Greenland Holdings
Shanghai Greenland Baoli Property Co., Ltd.* 上海綠地寶裡置業有限公司	Controlled by Greenland Holdings
Shanghai Greenland Hengbin Property Co., Ltd.* 上海綠地恒濱置業有限公司	Controlled by Greenland Holdings
Shanghai Ouwenxi Business Consulting Co., Ltd.* 上海歐聞希商務諮詢有限公司	Controlled by Greenland Holdings
Shijiazhuang Zhongdi Real Estatae Co., Ltd.* 石家莊中迪房地產開發有限公司	Controlled by Greenland Holdings
Wuhan Jiupai Xingu Property Co., Ltd.* 武漢九派鑫穀置業有限公司	Controlled by Greenland Holdings
Wuhan Juguan Industry Co., Ltd.* 武漢聚冠實業有限公司	Controlled by Greenland Holdings
Wuhan Xingao Xinggu Property Co., Ltd.* 武漢新高興穀置業有限公司	Controlled by Greenland Holdings
Zhongshan Yahong Real Estate Development Co., Ltd.* 中山市雅鴻房地產開發有限公司	Joint venture of Agile Holdings
Guangzhou Greenland Baiyun Property Co., Ltd.* 廣州綠地白雲置業有限公司	Joint venture of Greenland Holdings
Hainan Yachuang Travel Development Co., Ltd.* 海南雅創旅遊開發有限公司	Controlled by the Founding Shareholders
Hainan Agile Hanhai Hotel Management Co., Ltd.* 海南雅居樂瀚海酒店管理有限公司	Controlled by the Founding Shareholders

* The English name of the related parties represents the best effort by the management of the Group in translating their Chinese names as they do not have an official English name.

(b) Transactions with related parties

	Year ended December 31,			Nine months ended September 30,	
	2014	2015	2016	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Provision of services					
Controlled by the same ultimate holding company	258,442	264,830	305,174	185,499	253,954
Greenland Holdings and entities controlled by Greenland Holdings	—	—	—	—	26,335
Joint venture of Agile Holdings	4,994	3,131	378	2,512	5,565
Controlled by the Founding Shareholders	4,650	3,175	1,866	567	836
	268,086	271,136	307,418	188,578	286,690
Interest income received/receivable on loans due from related parties					
Controlled by the same ultimate holding company	79,523	66,902	86,098	68,490	53,070
Rental income					
Controlled by the same ultimate holding company	1,601	693	—	—	—
Joint venture of Agile Holdings	80	88	—	—	—
	1,681	781	—	—	—
Purchase of inventories					
Controlled by the same ultimate holding company	45,120	—	—	—	—
Rental expenses					
Controlled by the same ultimate holding company	1,092	1,251	1,626	1,214	2,593
Controlled by the Founding Shareholders	1,101	2,267	2,335	1,751	1,804
A Founding Shareholder of Agile Holdings	981	981	445	334	334
	3,174	4,499	4,406	3,299	4,731

(c) Key management compensation

Compensations for key management other than those for directors and supervisors as disclosed in Note 33 is set out below.

	Year ended December 31,			Nine months ended September 30,	
	2014	2015	2016	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Salaries and other short-term employee benefits	1,283	3,339	6,018	3,203	4,238

(d) Balances with related parties

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Receivables from related parties				
— Trade receivables				
Controlled by the same ultimate holding company	224,250	88,899	35,246	85,109
Greenland Holdings and entities controlled by Greenland Holdings	—	—	—	69,929
Joint venture of Greenland Holdings	—	—	—	3,924
Joint venture of Agile Holdings	—	—	—	3,035
Controlled by the Founding Shareholders	—	469	2,626	3,733
	224,250	89,368	37,872	165,730
— Other receivables (Note (a))				
Controlled by the same ultimate holding company	173,628	143,616	4,757	3,609
Greenland Holdings and entities controlled by Greenland Holdings	—	—	—	2,764
Controlled by the Founding Shareholders	6,030	6,045	5,588	7,898
	179,658	149,661	10,345	14,271
— Loans and interest receivables due from related parties (Note (b))				
Controlled by the same ultimate holding company	795,413	596,899	1,036,000	13,248
Total receivables from related parties	1,199,321	835,928	1,084,217	193,249

(a) Other receivables due from related parties are unsecured and interest-free. Except for the balances paid as deposits, which are repayable upon maturity of rental period according to the respective contracts, the remaining balances are repayable on demand.

(b) For the details of interest rates and maturities of loans to related parties, please refer to Note 20(a).

	As at December 31,			As at September 30,
	2014	2015	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000
Payables to related parties				
— Trade payables				
Controlled by the same ultimate holding company	270	231	231	17
— Other payables				
Controlled by the same ultimate holding company	378,684	18,328	53,583	31,799
Ultimate holding company	—	—	—	32,369
Shareholder of the Company	16	16	16	16
Controlled by the Founding Shareholders	—	—	5	—
Greenland Holdings and entities controlled by Greenland Holdings	—	—	—	2,665
	378,700	18,344	53,604	66,849
— Advances from customers				
Controlled by the same ultimate holding company	—	—	17,890	21,924
Controlled by the Founding Shareholders	—	—	—	24
	—	—	17,890	21,948
Total payables to related parties	378,970	18,575	71,725	88,814

(e) Loans and interest receivables due from related parties

	Year ended December 31,			Nine months ended September 30,	
	2014	2015	2016	2016	2017
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
As at beginning of the year/period	1,726,050	795,413	596,899	596,899	1,036,000
Loans advanced during year/period	—	—	1,400,000	1,200,000	—
Loans repayments received	(865,890)	(198,010)	(950,100)	(699,100)	(1,036,000)
Interest charged (Note 11)	79,523	66,902	86,098	68,490	53,070
Interest received	(144,270)	(67,406)	(96,897)	(79,289)	(39,822)
As at end of the year/period	795,413	596,899	1,036,000	1,087,000	13,248

(f) Guarantee for borrowings

As at December 31, 2014, a building of RMB1,903,000 was pledged as collateral for a related party, Foshan Agile Real Estate.

As at December 31, 2014, 2015 and 2016, buildings of RMB33,049,000, RMB30,519,000 and RMB29,892,000 respectively, together with the properties owned by a related party, were pledged as collateral for a related party, Zhongshan Majestic Garden. And no buildings were pledged at September 30, 2017.

(g) Pledges and guarantees provided by related parties

As at December 31, 2014 and 2015, the Group's other borrowings of RMB784,110,000 and RMB586,100,000 respectively were secured by pledges of the properties owned by certain related party, Shanghai Yaheng. The repayment was also guaranteed by the related parties of the Group, including Shanghai Yaheng, Zhongshan Ever Creator, Zhongshan Yajing, Zhongshan Yaxin and the ultimate holding company, Agile Holdings.

As at December 31, 2016, the repayment of the Group's asset-backed securities of RMB795,385,000 was guaranteed by the ultimate holding company, Agile Holdings, as mentioned in Note 25(b).

32 Events after the balance sheet date

On January 15, 2018, the Company declared a dividend of RMB0.05 per ordinary share, totalling RMB50,000,000, for the year ended December 31, 2017.

33 Directors' and supervisors' benefits and interests

On July 21, 2017, the following directors and supervisors were appointed:

Executive directors

Mr. Huang Fengchao, Chairman (Note (a)(i))
Mr. Liu Deming (Note (a)(ii),(iii))
Mr. Feng Xin (Note (a)(ii))
Mr. Wang Wei (Note (a)(vi))

Non-executive directors

Mr. Chan Cheuk Hung (Note (a)(i),(f))
Mr. Wei Xianzhong (Note (a)(iv))

Independent Non-executive Directors (Note (a)(iv))

Mr. Wan Kam To
Mr. Wan Sai Cheong, Joseph
Mr. Wang Peng

Supervisors

Ms. Chen Liru (Note (a)(ii))
Ms. Huang Zhixia (Note (a)(ii))
Mr. Shi Zhengyu (Note (a)(v))
Mr. Li Jianhui (Note (a)(v))
Mr. Wang Shao (Note (a)(v))

(a) Directors' and supervisors' emoluments

The directors and supervisors received emoluments from the Group (in their role as senior management and employee before their appointment as directors and supervisors respectively) for the nine months ended September 30, 2017 as follows:

Name	Fees	Salaries	Housing allowances and contributions to a retirement benefit scheme	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Executive directors				
Mr. Liu Deming (Note (ii)(iii))	—	2,672	53	2,725
Mr. Feng Xin (Note (ii))	—	788	50	838
Mr. Wang Wei(Note (vi))	—	346	22	368
Supervisors				
Ms. Chen Liru (Note (ii))	—	271	40	311
Ms. Huang Zhixia (Note (ii))	—	150	22	172
	—	4,227	187	4,414

The directors and supervisors received emoluments from the Group (in their role as senior management and employee before their appointment as directors and supervisors respectively) for the nine months ended September 30, 2016 as follows:

Name	Fees	Salaries	Housing allowances and contributions to a retirement benefit scheme	Total
	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Executive director				
Mr. Feng Xin (Note (ii))	—	366	21	387
Mr. Liu Deming (Note (ii),(iii))	—	77	—	77
Supervisors				
Ms. Chen Liru (Note (ii))	—	207	28	235
Ms. Huang Zhixia (Note (ii))	—	114	20	134
	—	764	69	833

The directors and supervisors received emoluments from the Group (in their role as senior management and employee before their appointment as directors and supervisors respectively) for the year ended December 31, 2016 as follows:

Name	Fees	Salaries	Housing allowances and contributions to a retirement benefit scheme	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Executive directors				
Mr. Liu Deming (Note (ii)(iii))	—	2,150	—	2,150
Mr. Feng Xin (Note (ii))	—	855	28	883
Supervisors				
Ms. Chen Liru (Note (ii))	—	397	23	420
Ms. Huang Zhixia (Note (ii))	—	208	17	225
	—	3,610	68	3,678

The directors and supervisors received emoluments from the Group (in their role as senior management and employee before their appointment as directors and supervisors respectively) for the year ended December 31, 2015 as follows:

Name	Fees	Salaries	Housing allowances and contributions to a retirement benefit scheme	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Executive director				
Mr. Feng Xin(Note (ii))	—	755	27	782
Supervisors				
Ms. Chen Liru (Note (ii))	—	356	19	375
Ms. Huang Zhixia (Note (ii))	—	143	16	159
	—	1,254	62	1,316

The directors and supervisors received emoluments from the Group (in their role as senior management and employee before their appointment as directors and supervisors respectively) for the year ended December 31, 2014 as follows:

Name	Fees	Salaries	Housing allowances and contributions to a retirement benefit scheme	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Executive director				
Mr. Feng Xin (Note (ii))	—	641	24	665
Supervisors				
Ms. Chen Liru (Note (ii))	—	388	18	406
Ms. Huang Zhixia (Note (ii))	—	163	16	179
	—	1,192	58	1,250

(i) The directors, Mr. Huang Fengchao and Mr. Chan Cheuk Hung received emoluments totaling RMB9,889,000, RMB8,717,000, RMB9,855,000, RMB4,224,000 and RMB4,619,000 during the years ended December 31, 2014, 2015 and 2016 and the nine months ended September 30, 2016 and 2017, which were borne by related parties of the Group. Mr. Huang Fengchao, Mr. Chan Cheuk Hung were also directors of Agile Holdings during the years ended December 31, 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017, and their emoluments were not allocated to the Group as the management of the Company considers there is no reasonable basis of allocation.

(ii) The directors, Mr. Feng Xin and Mr. Liu Deming, and the supervisors, Ms. Chen Liru and Ms. Huang Zhixia did not receive any emoluments from the related parties of the Group for the years ended December 31, 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017.

(iii) Mr. Liu Deming joined the Group in September 2016.

(iv) The non-executive director Mr. Wei Xianzhong, and the independent non-executive directors did not receive any emoluments from the Group or the related parties of the Group for the years ended December 31, 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017.

(v) The supervisors, Mr. Shi Zhengyu, Mr. Li Jianhui and Mr. Wang Shao did not receive any emoluments from the Group or the related parties of the Group for the years ended December 31, 2014, 2015 and 2016 and nine months ended September 30, 2016 and 2017.

(vi) The executive director Mr. Wang Wei received emoluments totalling RMB368,000 during the nine months ended September 30, 2017.

(b) Retirement benefits of directors and supervisors

During the years ended December 31, 2014, 2015, 2016 and the nine months ended September 30, 2016 and 2017, there were no additional retirement benefit received by the directors and supervisors except for the contribution to a retirement benefit scheme as disclosed in note (a) above.

(c) Termination benefits of directors and supervisors

During the years ended December 31, 2014, 2015, 2016 and nine months ended September 30, 2016 and 2017, there were no termination benefits received by the directors and supervisors.

(d) Consideration provided to third parties for making available the services of directors and supervisors

During the years ended December 31, 2014, 2015 and 2016 and nine months ended September 30, 2016 and 2017, no consideration was paid for making available the services of the directors or supervisors of the Company.

(e) Information about loans, quasi-loans and other dealings in favor of directors and supervisors, controlled bodies corporate by and connected entities with such directors and supervisors

During the years ended December 31, 2014, 2015 and 2016 and nine months ended September 30, 2016 and 2017, there were no loans, quasi-loans and other dealings entered into by the Company or subsidiaries undertaking of the Company, where applicable, in favor of directors and supervisors.

(f) Material interests of directors and supervisors in transactions, arrangements or contracts

The non-executive director, Mr. Chan Cheuk Hung, is one the founding shareholders and executive directors of Agile Holdings, the Company's ultimate holdings company. Mr. Chan Cheuk Hung, is one of the beneficiaries of a family trust, which indirectly held 62.63% equity interests in Agile Holdings as at December 31, 2014, 2015, 2016 and September 30, 2017. The Group's transactions with Agile Holdings and related entities are set out in Note 31(b).

Except for these mentioned above, no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director or supervisor of the Company had interests, whether directly or indirectly, subsisted at the end of the Relevant Periods or at any time during the Relevant Periods.

III Subsequent financial statements

No audited financial statements have been prepared by the Company or any of its subsidiaries in respect of any period subsequent to September 30, 2017 and up to the date of this report. Save as disclosed in Note 27 and Note 32 of Section II, no dividend or distribution has been declared or made by the Company or any of its subsidiaries in respect of any period subsequent to September 30, 2017.

The information set out in this Appendix II does not form part of the "Accountant's Report" from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, the reporting accountant of the Company, as set forth in Appendix I to this prospectus, and is included herein for illustrative purpose only.

The unaudited pro forma financial information should be read in conjunction with the section entitled "Financial Information" in this prospectus and the "Accountant's Report" set out in Appendix I to this prospectus.

UNAUDITED PRO FORMA STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

The following is an illustrative and unaudited pro forma statement of adjusted net tangible assets of the Group which has been prepared in accordance with Rule 4.29 of the Listing Rules and on the basis as set out on pages II-1 to II-2 for the purpose of illustrating the effect of the Global Offering on the net tangible assets of the Group attributable to owners of the Company as at September 30, 2017 as if the Global Offering had taken place on that date.

This unaudited pro forma adjusted net tangible assets of the Group has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the net tangible assets of the Group had the Global Offering been completed as at September 30, 2017 or at any future date.

	Audited consolidated net tangible assets of the Group attributable to owners of the Company as at September 30, 2017	Pro forma adjustment Estimated net proceeds from the Global Offering	Unaudited pro forma adjusted net tangible assets attributable to owners of the Company as at September 30, 2017	Unaudited pro forma adjusted net tangible assets per Share	
	Note 1	Note 2		Note 3	Note 4
	RMB'000	RMB'000	RMB'000	RMB	HK$
Based on an Offer Price of HK$10.80 per H Share	344,402	2,819,210	3,163,612	2.37	2.89
Based on an Offer Price of HK$14.20 per H Share	344,402	3,719,470	4,063,872	3.05	3.71

Notes:

(1) The audited consolidated net tangible assets attributable to owners of the Company as at September 30, 2017 is extracted from the Accountant's Report set out in Appendix I to this prospectus, which is based on the audited consolidated net assets of the Group attributable to owners of the Company as at September 30, 2017 of RMB1,372,344,000, with adjustments for other intangible assets and goodwill as at September 30, 2017 of RMB108,975,000 and RMB918,967,000, respectively.

(2) The estimated net proceeds from the Global Offering are based on the indicative Offer Price of HK$10.80 and HK$14.20 per H Share after deduction of the estimated underwriting fees and other related expenses (excluding listing expenses of approximately RMB839,000 which have been accounted for in the consolidated statements of comprehensive income prior to September 30, 2017) payable by us, and takes no account of any shares which may be issued upon the exercise of the Over-allotment Option.

(3) The unaudited pro forma adjusted net tangible assets per Share is arrived at after the adjustments referred to in the preceding paragraphs and on the basis that 1,333,334,000 Shares were in issue assuming that the Global Offering

has been completed on September 30, 2017 but takes no account of any shares which may be issued upon the exercise of the Over-allotment Option.

(4) For the purpose of this unaudited pro forma statement of adjusted net tangible assets, the balance stated in Renminbi are converted into Hong Kong dollars at the rate of HK$1.00 to RMB0.82067. No representation is made that Renminbi amounts have been, could have been or may be converted into Hong Kong dollars, or vice versa, at that rate.

(5) The unaudited pro forma adjusted net tangible assets does not take into account the dividend of approximately RMB50.0 million declared in January 15, 2018. Had such dividend been taken into account, the unaudited pro forma adjusted net tangible assets per Share would be approximately RMB2.34 (equivalent to HK$2.85), assuming an Offer Price of HK$10.80 per Share, and approximately RMB3.01 (equivalent to HK$3.67), assuming an Offer Price of HK$14.20 per Share.

(6) Save as disclosed above, no adjustment has been made to the unaudited pro forma adjusted net tangible assets to reflect any trading results or other transactions of the Group entered into subsequent to September 30, 2017. In particular, the unaudited pro forma adjusted net tangible assets per Share has not taken into account the dividend declared and paid after the Track Record Period.

The following is the text of a report received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus.

pwc 羅兵咸永道

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the Directors of A-Living Services Co., Ltd.

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of A-Living Services Co., Ltd. (the "Company") and its subsidiaries (collectively the "Group") by the directors for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted net tangible assets of the Group as at September 30, 2017, and related notes (the "Unaudited Pro Forma Financial Information") as set out on pages II-1 to II-2 of the Company's prospectus dated January 29, 2018, in connection with the proposed initial public offering of H-shares of the Company. The applicable criteria on the basis of which the directors have compiled the Unaudited Pro Forma Financial Information are described on pages II-1 to II-2.

The Unaudited Pro Forma Financial Information has been compiled by the directors to illustrate the impact of the proposed initial public offering on the Group's financial position as at September 30, 2017 as if the proposed initial public offering had taken place at September 30, 2017. As part of this process, information about the Group's financial position has been extracted by the directors from the Group's financial information for the period ended September 30, 2017, on which an accountant's report has been published.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Control 1 issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We

PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the HKICPA. This standard requires that the reporting accountant plans and performs procedures to obtain reasonable assurance about whether the directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of unaudited pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the proposed initial public offering at September 30, 2017 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the company, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, January 29, 2018

The estimate of our consolidated profit attributable to owners of the Company for the year ended December 31, 2017 is set out in the section headed "Financial Information — Profit Estimate For The Year Ended December 31, 2017" in this prospectus.

A. BASES

The Directors have prepared the estimate of the consolidated profit attributable to owners of the Company for the year ended December 31, 2017 (the "Profit Estimate") on the basis of the audited consolidated results of the Group for the nine months ended September 30, 2017, and the unaudited consolidated results based on the management accounts of the Group for the three months ended December 31, 2017. The Profit Estimate has been prepared on a basis consistent in all material respects with the accounting policies we have presently adopted as set out in Appendix I to this prospectus.

B. LETTER FROM THE REPORTING ACCOUNTANT

The following is the text of a letter received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus.

pwc 羅兵咸永道

The Board of Directors
A-Living Services Co., Ltd.

HSBC Corporate Finance (Hong Kong) Limited
Huatai Financial Holdings (Hong Kong) Limited

January 29, 2018

Dear Sirs,

A-Living Services Co., Ltd. (the "Company")

Profit Estimate for the Year Ended December 31, 2017

We refer to the estimate of the consolidated profit attributable to owners of the Company for the year ended December 31, 2017 (the "Profit Estimate") set forth in the section headed "Financial Information — Profit Estimate For The Year Ended December 31, 2017" in the prospectus of the Company dated January 29, 2018 (the "Prospectus").

Directors' Responsibilities

The Profit Estimate has been prepared by the directors of the Company based on the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the nine months ended September 30, 2017 and the unaudited consolidated results based on the management accounts of the Group for the three months ended December 31, 2017.

The Company's directors are solely responsible for the Profit Estimate.

PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Control 1 issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion on the accounting policies and calculations of the Profit Estimate based on our procedures.

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 500, *Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness* and with reference to Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the HKICPA. Those standards require that we plan and perform our work to obtain reasonable assurance as to whether, so far as the accounting policies and calculations are concerned, the Company's directors have properly compiled the Profit Estimate in accordance with the bases adopted by the directors and as to whether the Profit Estimate is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

Opinion

In our opinion, so far as the accounting policies and calculations are concerned, the Profit Estimate has been properly compiled in accordance with the bases adopted by the directors as set out in Appendix III of the Prospectus and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in our accountant's report dated January 29, 2018, the text of which is set out in Appendix I of the Prospectus.

Yours faithfully,

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong

C. LETTER FROM THE JOINT SPONSORS

The following is the text of a letter received from the Joint Sponsors for the purpose of incorporation in this prospectus.

HSBC 滙豐

華泰金融控股(香港)有限公司
HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED

January 29, 2018

The Board of Directors
A-Living Services Co., Ltd.

Dear Sirs,

We refer to the estimate of the consolidated profit attributable to owners of the Company for the year ended December 31, 2017 (the "**Profit Estimate**") set forth in the section headed "Financial Information—Profit Estimate For The Year Ended December 31, 2017" in the prospectus of the Company dated January 29, 2018 (the "**Prospectus**").

The Profit Estimate, for which the directors of the Company are solely responsible, has been prepared by the directors of the Company, based on the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the nine months ended September 30, 2017, and the unaudited consolidated results based on the management accounts of the Group for the three months ended December 31, 2017.

We have discussed with you the bases made by the directors of the Company as set out in Appendix III to the Prospectus upon which the Profit Estimate has been made. We have also considered the letter dated January 29, 2018 addressed to you and us from PricewaterhouseCoopers regarding the accounting policies and calculations upon which the Profit Estimate has been made.

On the basis of the information comprising the Profit Estimate and on the basis of the accounting policies and calculations adopted by you and reviewed by PricewaterhouseCoopers, we are of the opinion that the Profit Estimate, for which you as the directors of the Company are solely responsible, has been made after due and careful enquiry.

Yours faithfully,

For and on behalf of

HSBC Corporate Finance (Hong Kong) Limited
Roger Alexander de Basto
Managing Director

Huatai Financial Holdings (Hong Kong) Limited
Zhan Xu
Executive Director

TAXATION AND FOREIGN EXCHANGE

The following is a summary of certain PRC and Hong Kong tax consequences of the ownership of H shares by an investor that purchases H shares in connection with the Global Offering and holds the shares as capital assets. This summary does not purport to address all material tax consequences of the ownership of H Shares, and does not take into account the specific circumstances of any particular investor, some of which may be subject to special provisions. This summary is based on the tax laws of the PRC and Hong Kong in effect as at the Latest Practicable Date, all of which are subject to change (or changes in interpretation), possibly with retroactive effect.

This section in this prospectus does not address any aspect of Hong Kong or the PRC taxation other than income tax, capital tax, stamp duty and estate duty. Prospective investors are urged to consult their tax advisors regarding the PRC, Hong Kong and other tax consequences of owning and disposing of H Shares.

PRC Taxation

The following is a discussion of certain PRC tax provisions relating to the ownership and disposal of H Shares purchased in connection with the Global Offering and held by the investors as capital assets. This summary does not purport to address all material tax consequences of the ownership of H Shares and does not take into account the specific circumstances of any particular investors. This summary is based on the PRC tax laws in effect as of the Latest Practicable Date, as well as on *the Arrangement between Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income* (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》) signed on August 21, 2006 and *the Second Protocol to Arrangement between Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with Respect to Taxes on Income* (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排第二議定書》) signed on January 30, 2008 and *the third Protocol to Arrangement between Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with Respect to Taxes on Income* (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排第三議定書》) signed on May 27, 2010 and *the fourth Protocol to Arrangement between Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with Respect to Taxes on Income* (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排第四議定書》) signed on April 1, 2015 (collectively, the "**Arrangements**"), all of which are subject to change (or changes in interpretation), possibly with retroactive effect.

Taxation of Dividends

Individual investors

According to *the Individual Income Tax Law of the PRC* (《中華人民共和國個人所得稅法》) promulgated on September 10, 1980, as amended on October 31, 1993, August 30, 1999, October 27, 2005, June 29, 2007, December 29, 2007, June 30, 2011, and *the Provision for Implementation of the Individual Income Tax Law* (《中華人民共和國個人所得稅法實施條例》) promulgated on January 28, 1994, as amended on December 19, 2005, February 18, 2008 and July 19, 2011, dividends declared by PRC companies to individuals are ordinarily subject to a

PRC withholding tax levied at a flat rate of 20%. For a foreign individual who is not a resident of the PRC, the receipt of dividends from a company in the PRC is normally subject to a withholding tax of 20% unless specifically exempted by the tax authority of the State Council or reduced by an applicable tax treaty.

Pursuant to *the Notice on Matters Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa [1993] No. 45* (《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》) promulgated by the SAT on June 28, 2011, if a domestic non-foreign-invested enterprise issues its shares in Hong Kong, its non-PRC resident individual shareholders may be entitled to preferential tax treatment in accordance with the applicable tax treaties between the PRC and the countries in which they are tax residents and the applicable tax arrangements between China and Hong Kong (Macau). In general, the distribution of dividends by a domestic non-foreign-invested enterprise whose shares are issued and listed in Hong Kong is subject to withholding at a rate of 10% and there is no need to apply to the tax authorities in the PRC to qualify for this rate. If the tax rate specified in the relevant tax treaty or arrangement is lower than 10%, upon examination approval of the competent tax authority, an individual shareholder who receives dividends may apply for a refund of the excess amount withheld. If an individual shareholder is a resident of a country which has entered into a tax treaty with the PRC and the agreed tax rate is higher than 10% but lower than 20%, his dividend will be subject to income tax at the agreed tax rate. If an individual shareholder is a resident of a country which has not entered into a tax treaty with the PRC, his dividend will be subject to income tax at a tax rate of 20%.

Enterprises

According to *the Enterprise Income Tax Law of the PRC* (《中華人民共和國企業所得稅法》) promulgated on March 16, 2007, as amended on February 24, 2017, and *the Provision for Implementation of Enterprise Income Tax Law of the PRC* (《中華人民共和國企業所得稅法實施條例》) promulgated on December 6, 2007, a non-resident enterprise is subject to a 10% enterprise income tax on the income sourced from the PRC provided that such non-resident enterprise does not have an establishment or place in the PRC, or where there is an establishment or place, there is no connection between the income received and such establishment or place. The aforesaid income tax payable by the non-resident enterprises shall be withheld at source, for which the payer thereof shall be the withholding agent. Such withholding tax may be reduced pursuant to an applicable avoidance of double taxation treaty or arrangement.

According to *the Notice of the State Administration of Taxation Regarding Questions on Withholding Enterprise Income tax on the Dividends Paid by PRC Resident Enterprises to Non-resident Enterprise Shareholders of H Shares* (《國家稅務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》), which was promulgated on November 6, 2008, PRC enterprises must withhold enterprise income tax at a rate of 10% when they distribute dividends to non-resident enterprise shareholders of H shares since 2008. Pursuant to that notice, we intend to withhold tax at 10% from dividends payable to non-PRC resident enterprise holders of H Shares.

Tax treaties

Investors who are not residents of the PRC and reside in countries that have entered into treaties for the avoidance of double taxation with the PRC or reside in Hong Kong Special

Administrative Region or Macau Special Administrative Region may be entitled to a reduction of tax on dividends paid by PRC companies. The PRC has entered into arrangements for the avoidance of double taxation with Hong Kong Special Administrative Region and Macau Administrative Region, and has signed treaties for the avoidance of double taxation with many nations in the world, which include but are not limited to Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom and the United States.

For residents of the Hong Kong Special Administrative Region, according to *the Arrangement between Mainland China and Hong Kong for the Avoidance of Double Taxation on Income* (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》) signed on August 21, 2006, the PRC government may impose tax on dividends payable by a PRC company to a Hong Kong resident (including specified natural person and legal entity), but such tax shall not exceed 10% of the gross amount of dividends payable, and in the case where a Hong Kong resident holds 25% or more of equity interest in a PRC company, such tax shall not exceed 5% of the gross amount of dividends payable by such PRC company.

Taxes Related to Share Transfer

Individual investors

With respect to individual holders of H Shares, *the Individual Income Tax Law of the PRC* and *Provision for Implementation of Enterprise Income Tax Law of the PRC* generally stipulate that gains derived from the assignment of property shall be subject to income tax at a rate of 20%. In addition, *the Provision for Implementation of Enterprise Income Tax Law of the PRC* stipulate that measures for the levying of individual income tax on gains derived from the sale of equity securities shall be formulated separately by the MOF and shall be implemented following approval of the State Council. Under *the Circular Declaring that individual Income Tax Continues to Be Exempted over Individual Income from Transfer of Shares* (《財政部、國家稅務總局關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》) issued on March 30, 1998, from January 1, 1997, individual income tax exemption is continually valid from individuals' transfers of shares of public companies, except for the shares of certain specified companies which are subject to sales limitations (as defined in the supplementary notice of such Circular issued on November 10, 2010). As of the Latest Practicable Date, the aforesaid provision has not expressly provided that the above exemption applies to non-PRC resident individuals on the sale of shares of PRC resident enterprises listed on overseas stock exchanges. To our knowledge, in practice, the PRC tax authorities have not sought to collect income tax on non-PRC resident individuals on gains from the sale of listed shares of PRC resident enterprises on overseas stock exchanges. However, there is no assurance that the PRC tax authorities will not change these practices which could result in levying income tax on non-PRC resident individuals on gains from the sale of our H Share.

Enterprises

According to *the Enterprise Income Tax Law of the PRC* and *the Provision for Implementation of Enterprise Income Tax Law of the PRC*, a non-resident enterprises shall be subject to 10% enterprise tax for income sourced from the PRC provided that the non-resident enterprises do not establish offices or premises in the PRC, or where there is an offices or premises, there is no connection between the gains received and such offices or premises. Such withholding tax may be reduced pursuant to an applicable avoidance of double taxation treaty.

Stamp Duty

PRC stamp duty imposed on the transfer of shares of PRC listed companies should not apply to the acquisition and disposal by non-PRC investors of H Shares outside of the PRC by virtue of *the Provisional Regulation*s *of the PRC Concerning Stamp Duty* (《中華人民共和國印花稅暫行條例》) promulgated on August 6, 1988, as amended on January 8, 2011. *The Provisional Regulation*s *of the PRC Concerning Stamp Duty* requires that PRC stamp duty is imposed only on documents, executed or received within the PRC that are legally binding in the PRC and are protected under PRC law.

Estate Duty

No liability for estate tax under PRC law will arise from non-PRC national's holding of H shares.

Certain Taxes Applicable to the Company

Income tax

As stipulated under the Enterprise Income Tax Law of the PRC, enterprises and other organization which generate income within the PRC shall pay enterprise income tax according to *the Enterprise Income Tax Law of the PRC* and are subject to enterprise income tax at a rate of 25%.

Value added tax

Pursuant to *the Provisional Regulations on Value-added Tax of the PRC* (《中華人民共和國增值稅暫行條例》), which was promulgated on December 13, 1993 and amended on November 5, 2008 and February 6, 2016, units and individuals engaging in sale of goods or provision of processing, repairs and replacement labor service and importation and export of goods within the territory of the PRC must pay value-added tax. The Company is subject to a tax rate of 17%.

Stamp duty

According to *the Provisional Regulations of the People's Republic of China on Stamp Duty* (《中華人民共和國印花稅暫行條例》) and *the Detailed Rules for Implementation of the Provisional Regulations of the People's Republic of China on Stamp Tax* (《中華人民共和國印花稅暫行條例施行細則》) enacted on September 29, 1988, all entities and individuals executing or receiving taxable documents within the PRC must pay stamp duty. The list of taxable documents includes purchase and sale contracts, processing contracts, construction project contracts, property lease contracts, cargo freight contracts, warehousing and storage contracts, loan contracts, property insurance contracts, technical contracts, other documents in the nature of contracts, title transfer deeds, business account books, certificates of rights, licenses and other documents confirmed to be taxable by the MOF.

TAXATION IN HONG KONG

Tax on Dividends

Under the current practice of the Hong Kong Inland Revenue Department, no tax is payable in Hong Kong in respect of dividends paid by our Company.

Taxation on Capital Gains and Profits

No tax is imposed in Hong Kong in respect of capital gains from the sale of property such as the H Shares. However, trading gains from the sale of H Shares by persons carrying on a trade, profession or business in Hong Kong where such gains are derived from or arise in Hong Kong from such trade, profession or business will be chargeable to Hong Kong profits tax, which is currently imposed at the rate of 16.5% on corporations and at a maximum rate on unincorporated business of 15.0%. Certain categories of taxpayers are likely to be regarded as deriving trading gains rather than capital gains (for example, financial institutions, insurance companies and securities dealers) unless these taxpayers can prove that the investment securities are held for long-term investment. Trading gains from sales of H Shares effected on the Hong Kong Stock Exchange will be considered to be derived from or arising in Hong Kong. Liability for Hong Kong profits tax would thus arise in respect of trading gains from sales of H Shares effected on the Hong Kong Stock Exchange realized by persons carrying on a business of trading or dealing in securities in Hong Kong.

Stamp Duty

Hong Kong stamp duty, currently charged at the ad valorem rate of 0.1% on the greater of the consideration for, or the market value of, the H Shares transferred on each of the seller and purchaser, will be payable by the purchaser on every purchase and by the seller on every sale of H Shares (in other words, a total of 0.2% is currently payable on a typical sale and purchase transaction involving H Shares). In addition, a fixed duty of HK$4.70 is currently payable on each instrument of transfer of H Shares (if required). Where one of the parties to a transfer is resident outside Hong Kong and any stamp duty payable on the instrument of transfer is not paid, the relevant instrument of transfer (if any) shall be chargeable with such duty, together with the duty otherwise chargeable thereon, and the transferee shall be liable to pay such duty.

Estate Duty

The Revenue (Abolition of Estate Duty) Ordinance 2005 came into effect on February 11, 2006 in Hong Kong, pursuant to which no Hong Kong estate duty is payable and no estate duty clearance papers are needed for an application of a grant of representation in respect of holders of H Shares whose deaths occur on or after February 11, 2006.

FOREIGN EXCHANGE CONTROLS OF THE PRC

Foreign exchange are strictly controlled in the PRC, but trend to deregulate in recent years. There are hundreds of regulations and rules about foreign exchange control in China, and the general one is *Regulations of the People's Republic of China on Foreign Exchange Control* (《中華人民共和國外匯管理條例》) which was promulgated by the State Council on January 29, 1996, as amended on January 14, 1997 and April 5, 2008. These Regulations are formulated for the purpose of strengthening foreign exchange control, facilitating equilibrium in the balance of international payments, and promoting the healthy development of the national economy. The foreign exchange control department of the State Council (State Administration of Foreign Exchange, SAFE) is the competent authority performs the functions of foreign exchange control and undertakes responsibilities.

These Regulations is applicable to all the receipts and payments of foreign exchange or foreign exchange operation activities of domestic institutions or individuals and the receipts and payments of foreign exchange or foreign exchange operation activities in China of overseas institutions or individuals. A financial institution engaged in foreign exchange business shall report to the relevant foreign exchange control organs in accordance with the law on its client's foreign exchange receipts and payments and the changes to the client's foreign exchange account.

Pursuant to *Regulations on the Administration of Settlement, Sale and Payment of Foreign Exchange* (《結匯、售匯及付匯管理規定》), issued by the PBOC on June 20, 1996, any domestic institution, individual, or foreign institution situated in China and a foreigner coming to China who conducts the settlement and purchase of foreign exchange, opening of the foreign exchange account and outbound payments should comply with these Regulations.

Foreign exchange control in the PRC covered almost all the economic activities involving foreign exchange, it includes foreign exchange control for current account transactions, foreign exchange control for capital account transactions, control of foreign exchange operations of financial institutions, and administration of Renminbi exchange rate and the foreign exchange market. For its complexity, any person wishing to have detailed information on the PRC foreign exchange control is recommended to seek independent and professional advice.

On December 26, 2014, the SAFE promulgated *the Notice of the State Administration of Foreign Exchange on Issues concerning the Foreign Exchange Administration of Overseas Listing* (《國家外匯管理局關於境外上市外匯管理有關問題的通知》). Pursuant to the Notice, domestic companies should, within 15 working days after the completion of the initial offering of shares for its overseas listing, go through the registration of overseas listing with the Foreign Exchange Bureau at its place of registration. And if a domestic shareholder intends to increase or reduce its holdings of overseas shares after the company is listed overseas, it should go through the registration of overseas shareholding with the Local Foreign Exchange Bureau within 20 working days prior to the intended increase or reduce its holdings of overseas shares.

This Appendix contains a summary of laws and regulations on companies and securities in the PRC, certain major differences between the PRC Company Law and Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Companies Ordinance as well as the additional regulatory provisions of the Hong Kong Stock Exchange on joint stock limited companies of the PRC. The principal objective of this summary is to provide potential investors with an overview of the principal laws and regulations applicable to us. This summary is with no intention to include all the information which may be important to the potential investors. For discussion of laws and regulations specifically governing the business of the Company, please see section entitled "Regulatory Overview" in this prospectus.

PRC LEGAL SYSTEM

The PRC legal system is based on the Constitution of the PRC (《中華人民共和國憲法》) (the "**Constitution**") and is made up of written laws, administrative regulations, local regulations, separate regulations, autonomous regulations, rules and regulations of departments, rules and regulations of local governments, international treaties of which the PRC government is a signatory, and other regulatory documents. Court verdicts do not constitute binding precedents. However, they may be used as judicial reference and guidance.

According to the Constitution and the Legislation Law of the PRC (《中華人民共和國立法法》) (the "**Legislation Law**"), the NPC and the Standing Committee of the NPC are empowered to exercise the legislative power of the State. The NPC has the power to formulate and amend basic laws governing civil and criminal matters, state organs and other matters. The Standing Committee of the NPC is empowered to formulate and amend laws other than those required to be enacted by the NPC and to supplement and amend any parts of laws enacted by the NPC during the adjournment of the NPC, provided that such supplements and amendments are not in conflict with the basic principles of such laws.

The State Council is the highest organ of the PRC administration and has the power to formulate administrative regulations based on the Constitution and laws.

The people's congresses of provinces, autonomous regions and municipalities and their respective standing committees may formulate local regulations based on the specific circumstances and actual requirements of their own respective administrative areas, provided that such local regulations do not contravene any provision of the Constitution, laws or administrative regulations.

The ministries and commissions of the State Council, PBOC, the State Audit Administration as well as the other organs endowed with administrative functions directly under the State Council may, in accordance with the laws as well as the administrative regulations, decisions and orders of the State Council and within the limits of their power, formulate rules.

The people's congresses of larger cities and their respective standing committees may formulate local regulations based on the specific circumstances and actual requirements of such cities, which will become enforceable after being reported to and approved by the standing committees of the people's congresses of the relevant provinces or autonomous regions but such local regulations shall conform with the Constitution, laws, administrative regulations, and the relevant local regulations of the relevant provinces or autonomous regions. People's congresses of national autonomous areas have the power to enact autonomous regulations and separate regulations in light of the political, economic and cultural characteristics of the nationality (nationalities) in the areas concerned.

The people's governments of the provinces, autonomous regions, and municipalities directly under the central government and the comparatively larger cities may enact rules, in accordance with laws, administrative regulations and the local regulations of their respective provinces, autonomous regions or municipalities.

The Constitution has supreme legal authority and no laws, administrative regulations, local regulations, autonomous regulations or separate regulations may contravene the Constitution. The authority of laws is greater than that of administrative regulations, local regulations and rules. The authority of administrative regulations is greater than that of local regulations and rules. The authority of local regulations is greater than that of the rules of the local governments at or below the corresponding level. The authority of the rules enacted by the people's governments of the provinces or autonomous regions is greater than that of the rules enacted by the people's governments of the comparatively larger cities within the administrative areas of the provinces and the autonomous regions.

The NPC has the power to alter or annul any inappropriate laws enacted by its Standing Committee, and to annul any autonomous regulations or separate regulations which have been approved by its Standing Committee but which contravene the Constitution or the Legislation Law. The Standing Committee of the NPC has the power to annul any administrative regulations that contravene the Constitution and laws, to annul any local regulations that contravene the Constitution, laws or administrative regulations, and to annul any autonomous regulations or local regulations which have been approved by the standing committees of the people's congresses of the relevant provinces, autonomous regions or municipalities directly under the central government, but which contravene the Constitution and the Legislation Law. The State Council has the power to alter or annul any inappropriate ministerial rules and rules of local governments. The people's congresses of provinces, autonomous regions or municipalities directly under the central government have the power to alter or annul any inappropriate local regulations enacted or approved by their respective standing committees. The people's governments of provinces and autonomous regions have the power to alter or annul any inappropriate rules enacted by the people's governments at a lower level.

According to the Constitution and the Legislation Law, the power to interpret laws is vested in the Standing Committee of the NPC. According to the Decision of the Standing Committee of the NPC Regarding the Strengthening of Interpretation of Laws (《全國人民代表大會常務委員會關於加強法律解釋工作的決議》) passed on June 10, 1981, the Supreme People's Court of the PRC (the "**Supreme People's Court**") has the power to give general interpretation on questions involving the specific application of laws and decrees in court trials. The State Council and its ministries and commissions are also vested with the power to give interpretation of the administrative regulations and department rules which they have promulgated. At the regional level, the power to give interpretations of the local laws and regulations as well as administrative rules is vested in the regional legislative and administrative organs which promulgate such laws, regulations and rules.

PRC JUDICIAL SYSTEM

Under the Constitution and the PRC Law on the Organization of the People's Courts (《中華人民共和國人民法院組織法》), the PRC judicial system is made up of the Supreme People's Court, the local people's courts, military courts and other special people's courts.

The local people's courts are comprised of the primary people's courts, the intermediate people's courts and the higher people's courts. The primary people's courts are organized into civil, criminal, administrative, supervision and enforcement divisions. The intermediate people's courts are organized into divisions similar to those of the primary people's courts, and are entitled to organize other courts as needed such as the intellectual property division.

The higher level people's courts supervise the primary and intermediate people's courts. The people's procuratorates also have the right to exercise legal supervision over the civil proceedings of people's courts of the same level and lower levels. The Supreme People's Court is the highest judicial body in the PRC. It supervises the judicial administration of the people's courts at all levels.

The people's courts apply a two-tier appellate system. A party may appeal against a judgment or order of a local people's court to the people's court at the next higher level. Second judgments or orders given at the next higher level are final. First judgments or orders of the Supreme People's Court are also final. However, if the Supreme People's Court or a people's court at a higher level finds an error in a judgment or an order which has been given in any people's court at a lower level, or the presiding judge of a people's court finds an error in a judgment which has been given in the court over which he presides, the case may then be retried according to the judicial supervision procedures.

The PRC Civil Procedure Law (《中華人民共和國民事訴訟法》) (the "**Civil Procedure Law**"), which was adopted in 1991 and amended in 2007, 2012 and 2017, sets forth the criteria for instituting a civil action, the jurisdiction of the people's courts, the procedures to be followed for conducting a civil action and the procedures for enforcement of a civil judgment or order. All parties to a civil action conducted within the PRC must comply with the Civil Procedure Law. Generally, a civil case is initially heard by a local court of the municipality or province in which the defendant resides. The parties to a contract may, by express agreement, select a judicial court where civil actions may be brought, provided that the judicial court is either the plaintiff 's or the defendant's domicile, the place of execution or implementation of the contract or the place of the object of the action, provided that the provisions of this law regarding the level of jurisdiction and exclusive jurisdiction shall not be violated.

A foreign national or enterprise generally has the same litigation rights and obligations as a citizen or legal person of the PRC. If a foreign country's judicial system limits the litigation rights of PRC citizens and enterprises, the PRC courts may apply the same limitations to the citizens and enterprises of that foreign country within the PRC. If any party to a civil action refuses to comply with a judgment or ruling made by a people's court or an award made by an arbitration panel in the PRC, the other party may apply to the people's court for the enforcement of the same. There are time limits of two years imposed on the right to apply for such enforcement. If a person fails to satisfy a judgment made by the court within the stipulated time, the court will, upon application by either party, enforce the judgment in accordance with the law.

A party seeking to enforce a judgment or ruling of a people's court against a party who is not personally or whose property is not within the PRC may apply to a foreign court with jurisdiction over the case for recognition and enforcement of the judgment or ruling. A foreign judgment or ruling may also be recognized and enforced by the people's court according to PRC enforcement procedures if the PRC has entered into or acceded to an international treaty with the relevant foreign country, which provides for such recognition and enforcement, or if the judgment or ruling satisfies the court's examination according to the principle of reciprocity, unless the people's court finds that the recognition or enforcement of such judgment or ruling will result in a violation of the basic legal principles of the PRC, its sovereignty or security or against social and public interest.

THE COMPANY LAW, SPECIAL REGULATIONS AND MANDATORY PROVISIONS

A joint stock limited company which is incorporated in the PRC and seeking a listing on the Hong Kong Stock Exchange is mainly subject to the following three laws and regulations in the PRC:

- The PRC Company Law which was promulgated by the Standing Committee of the NPC on December 29, 1993, came into effect on July 1, 1994, revised on December 25, 1999, August 28, 2004, October 27, 2005 and December 28, 2013 respectively and the latest revision of which was implemented on March 1, 2014;

- The Special Regulations of the State Council on Share Offering and Listing Overseas by Joint-Stock Limited Liability Companies (the "**Special Regulations**") which were promulgated by the State Council on August 4, 1994 pursuant to Articles 85 and 155 of the Company Law in force at that time, and were applicable, to the overseas share subscription and listing of joint stock limited companies; and

- The Mandatory Provisions of Articles of Association of Companies Listing Overseas (the "**Mandatory Provisions**") which were issued jointly by the former Securities Commission of the State Council and the former State Economic Restructuring Commission on August 27, 1994, stating the mandatory provisions which must be incorporated into the articles of association of a joint stock limited company seeking an overseas listing. As such, the Mandatory Provisions are set out in the Articles of Association of the Company, the summary of which is set out in the section entitled "Appendix VI—Summary of the Articles of Association" in this prospectus.

Set out below is a summary of the major provisions of the Company Law, the Special Regulations and the Mandatory Provisions applicable to the Company.

General

A joint stock limited company refers to an enterprise legal person incorporated under the Company Law with its registered capital divided into shares of equal par value. The liability of its shareholders is limited to the amount of shares held by them and the company is liable to its creditors for an amount equal to the total value of its assets.

A state-owned enterprise ("**SOE**") that is reorganized into a joint stock limited company shall comply with the conditions and requirements specified by laws and administrative regulations for the modification of its operation mechanisms, the disposal and valuation of the company's assets and liabilities and the establishment of internal management organizations.

A joint stock limited company shall conduct its business in accordance with laws and administrative regulations. It may invest in other limited liability companies and joint stock limited companies and its liabilities with respect to such invested companies are limited to the amount invested. Unless otherwise provided by law, the joint stock limited company may not be a contributor that undertakes joint and several liabilities for the debts of the invested companies.

Incorporation

A joint stock limited company may be incorporated by promotion or public subscription.

A joint stock limited company may be incorporated by a minimum of two but not more than 200 promoters, and at least half of the promoters must have residence within the PRC. According to the Special Regulations, SOEs or enterprises with the majority of their assets owned by the PRC government may be restructured into joint stock limited companies which may issue shares to overseas investors in accordance with the relevant regulations. These companies, if incorporated by promotion, may have less than five promoters and may issue new shares once incorporated.

According to the Securities Law of the PRC (《中華人民共和國證券法》) (the "**PRC Securities Law**"), the total share capital of a company seeking to list its shares on a stock exchange shall be no less than RMB30 million.

The promoters must convene an inaugural meeting within 30 days after the issued shares have been fully paid up, and must give notice to all subscribers or make an announcement of the date of the inaugural meeting 15 days before the meeting. The inaugural meeting may be convened only with the presence of promoters or subscribers representing at least half of the shares in the company. At the inaugural meeting, matters including the adoption of articles of association and the election of members of the board of directors and members of the board of supervisors of the company will be dealt with. All resolutions of the meeting require the approval of subscribers with more than half of the voting rights present at the meeting.

Within 30 days after the conclusion of the inaugural meeting, the board of directors must apply to the registration authority for registration of the establishment of the joint stock limited company. A company is formally established, and has the status of a legal person, after the business license has been issued by the relevant registration authority. Joint stock limited companies established by the subscription method shall file the approval on the offering of shares issued by the securities administration department of the State Council with the company registration authority for record.

A joint stock limited company's promoters shall be liable for: (i) the payment of all expenses and debts incurred in the incorporation process jointly and severally if the company cannot be incorporated; (ii) the refund of subscription monies to the subscribers, together with interest, at bank rates for a deposit of the same term jointly and severally if the company cannot be incorporated; and (iii) damages suffered by the company as a result of the default of the promoters in the course of incorporation of the company. According to the Interim Provisional

Regulations on the Administration of Share Issuance and Trading (《股票發行與交易管理暫行條例》) promulgated by the State Council on April 22, 1993 (which is only applicable to the issuance and trading of shares in the PRC and their related activities), if a company is established by means of public subscription, the promoters of such company are required to sign on this prospectus to ensure that this prospectus does not contain any misrepresentation, serious misleading statements or material omissions, and assume joint and several responsibility for it.

Share Capital

The promoters of a company can make capital contributions in cash or in kind, which can be valued in currency and transferable according to law such as intellectual property rights or land use rights based on their appraised value.

If capital contribution is made other than in cash, valuation and verification of the property contributed must be carried out and converted into shares.

A company may issue registered or bearer share. However, shares issued to promoter(s) or legal person(s) shall be in the form of registered share and shall be registered under the name(s) of such promoter(s) or legal person(s) and shall not be registered under a different name or the name of a representative.

The Special Regulations and the Mandatory Provisions provide that shares issued to foreign investors and listed overseas shall be issued in registered form and shall be denominated in Renminbi and subscribed for in foreign currency.

Under the Special Regulations and the Mandatory Provisions, shares issued to foreign investors and investors from the territories of Hong Kong, the Macau and Taiwan and listed overseas are known as overseas listed foreign invested shares, and those shares issued to investors within the PRC other than the territories specified above are known as Domestic Shares.

A company may offer its shares to the public overseas with approval by the securities administration department of the State Council. Specific provisions shall be specifically formulated by the China Securities Regulatory Commission (the "**CSRC**"). Under the Special Regulations, upon approval of the CSRC, a company may agree, in the underwriting agreement in respect of an issue of overseas listed foreign invested shares, to retain not more than 15% of the aggregate number of overseas listed foreign invested shares proposed to be issued after accounting for the number of underwritten shares.

The share offering price may be equal to or greater than nominal value, but shall not be less than nominal value.

The transfer of shares by shareholders should be conducted via the legally established stock exchange or in accordance with other methods as stipulated by the State Council. Transfer of registered shares by a shareholder must be made by means of an endorsement or by other means stipulated by laws or administrative regulations. Bearer shares are transferred by delivery of the share certificates to the transferee.

Shares held by a promoter of a company shall not be transferred within one year after the date of the company's incorporation. Shares issued by a company prior to the public offer of its shares shall not be transferred within one year from the date of listing of the shares of the company on a stock exchange. Directors, supervisors and senior management of a company shall not transfer over 25% of the shares held by each of them in the company each year during their term of office and shall not transfer any share of the company held by each of them within one year after the listing date. There is no restriction under the Company Law as to the percentage of shareholding a single shareholder may hold in a company.

Transfers of shares may not be entered in the register of shareholders within 20 days before the date of a shareholders' meeting or within five days before the record date set for the purpose of distribution of dividends.

Allotment and Issue of Shares

All issue of shares of a joint stock limited company shall be based on the principles of equality and fairness. The same class of shares must carry equal rights. Shares issued at the same time and within the same class must be issued on the same conditions and at the same price. It may issue shares at par value or at a premium, but it may not issue shares below the par value.

A company shall obtain the approval of the CSRC to offer its shares to the overseas public. Under the Special Regulations, shares issued to foreign investors by joint stock limited companies and listed overseas are known as "overseas listed and foreign invested shares." Shares issued to investors within the PRC by joint stock limited companies, which also issues overseas listed and foreign shares, are known as "domestic shares." Upon approval of the securities regulatory authority of the State Council, a company issuing overseas listed and foreign invested shares in total shares determined by the issuance program may agree with underwriters in the underwriting agreement to retain not more than 15% of the aggregate number of overseas listed and foreign invested shares outside the underwritten amount. The issuance of the retained shares is deemed to be a part of this issuance.

Registered Shares

Under the Company Law, the shareholders may make capital contributions in cash, or alternatively may make capital contributions with such valuated non-monetary property as physical items, intellectual property rights, and land-use rights that may be valued in monetary term and may be transferred in accordance with the law. Pursuant to the Special Regulations, overseas listed and foreign invested shares issued shall be in registered form, denominated in Renminbi and subscribed for in a foreign currency. Domestic shares issued shall also be in registered form.

Under the Company Law, when the company issues shares in registered form, it shall maintain a register of shareholders, stating the following matters:

- the name and domicile of each shareholder;

- the number of shares held by each shareholder;

- the serial numbers of shares held by each shareholder; and
- the date on which each shareholder acquired the shares.

Increase of Share Capital

According to the Company Law, when the joint stock limited company issues new shares, resolutions shall be passed by a shareholders' general meeting, approving the class and number of the new shares, the issue price of the new shares, the commencement and end of the new share issuance and the class and amount of new shares to be issued to existing shareholders. When the company launches a public issuance of new shares with the approval of the securities regulatory authorities of the State Council, it shall publish a prospectus and financial and accounting reports, and prepare the share subscription form. After the new share issuance has been paid up, the change shall be registered with the company registration authorities and an announcement shall be made.

Reduction of Share Capital

A company may reduce its registered capital in accordance with the following procedures prescribed by the Company Law:

- it shall prepare a balance sheet and a property list;
- the reduction of registered capital shall be approved by a shareholders' general meeting;
- it shall inform its creditors of the reduction in capital within 10 days and publish an announcement of the reduction in the newspaper within 30 days after the resolution approving the reduction has been passed;
- creditors may within 30 days after receiving the notice, or within 45 days of the public announcement if no notice has been received, require the company to pay its debts or provide guarantees covering the debts;
- it shall apply to the relevant administration of industry and commerce for the registration of the reduction in registered capital.

Repurchase of Shares

According to the Company Law, a joint stock limited company may not purchase its shares other than for one of the following purposes: (i) to reduce its registered capital; (ii) to merge with another company that holds its shares; (iii) to grant its shares to its employees as incentives; and (iv) to purchase its shares from shareholders who are against the resolution regarding the merger or division with other companies at a shareholders' general meeting.

The purchase of shares on the grounds set out in (i) to (iii) above shall require approval by way of a resolution passed by the shareholders' general meeting. Following the purchase of shares in accordance with the foregoing, such shares shall be canceled within 10 days from the date of purchase in the case of (i) above and transferred or canceled within six months in the case of (ii) or (iv) above. Shares acquired in accordance with (iii) above shall not exceed 5% of the total number of the company's issued shares. Such acquisition shall be financed by funds appropriated from the company's profit after taxation, and the shares so acquired shall be transferred to the company's employees within one year.

Transfer of Shares

Shares held by shareholders may be transferred in accordance with the relevant laws and regulations. Pursuant to the Company Law, transfer of shares by shareholders shall be carried out at a legally established securities exchange or in other ways stipulated by the State Council. No modifications of registration in the share register caused by transfer of registered shares shall be carried out within 20 days prior to the convening of shareholder's general meeting or five days prior to the base date for determination of dividend distributions. However, where there are separate provisions by law on alternation of registration in the share register of listed companies, those provisions shall prevail. Pursuant to the Mandatory Provisions, no modifications of registration in the share register caused by transfer of shares shall be carried out within 30 days prior to convening of shareholder's general meeting or five days prior to any base date for determination of dividend distributions.

Under the Company law, shares issued prior to the public issuance of shares shall not be transferred within one year from the date of the joint stock limited company's listing on a stock exchange. Directors, supervisors and the senior management shall declare to the company their shareholdings in the company and any changes of such shareholdings. They shall not transfer more than 25% of all the shares they hold in the company annually during their tenure. They shall not transfer the shares they hold within one year from the date on which the company's shares are listed and commenced trading on a stock exchange, nor within six months after their resignation from their positions with the company.

Shareholders

Under the Company Law and the Mandatory Provisions, the rights of holders of ordinary shares of a joint stock limited company include:

- the right to attend or appoint a proxy to attend shareholders' general meetings and to vote thereat;
- the right to transfer shares in accordance with laws, administrative regulations and provisions of the articles of association;
- the right to inspect the company's articles of association, share register, counterfoil of company debentures, minutes of shareholder's general meetings, resolutions of meetings of the board of directors, resolutions of meetings of the board of supervisors and financial and accounting reports and to make proposals or enquires on the company's operations;
- the right to bring an action in the people's court to rescind resolutions passed by shareholder's general meetings and board of directors where the articles of association is violated by the above resolutions;
- the right to receive dividends and other types of interest distributed in proportion to the number of shares held;

- in the event of the termination or liquidation of the company, the right to participate in the distribution of residual properties of the company in proportion to the number of shares held; and

- other rights granted by laws, administrative regulations, other regulatory documents and the company's articles of association.

The obligations of a shareholder include the obligation to abide by the Company's articles of association, to pay the subscription moneys in respect of the shares subscribed for and in accordance with the form of making capital contributions, to be liable for the company's debts and liabilities to the extent of the amount of his or her subscribed shares and any other shareholders' obligation specified in the company's articles of association.

Shareholders' General Meetings

The shareholders' general meeting is the organ of authority of the company, which exercises its powers in accordance with the Company Law.

Under the Company Law, the shareholders' general meeting exercises the following principal powers:

- to decide on the company's operational policies and investment plans;

- to elect or remove the directors and supervisors (other than the supervisor representative of the employees of the company) and to decide on matters relating to the remuneration of directors and supervisors;

- to examine and approve reports of the board of directors;

- to examine and approve reports of the board of supervisors;

- to examine and approve the company's proposed annual financial budget and final accounts;

- to examine and approve the company's proposals for profit distribution plans and loss recovery plans;

- to decide on any increase or reduction of the company's registered capital;

- to decide on the issue of bonds by the company;

- to decide on issues such as merger, division, dissolution and liquidation of the company and other matters;

- to amend the company's articles of association; and

- other powers as provided for in the articles of association.

Shareholders' annual general meetings are required to be held once every year. Under the Company Law, an extraordinary shareholders' general meeting is required to be held within two months after the occurrence of any of the following:

- the number of directors is less than the number stipulated by the law or less than two thirds of the number specified in the articles of association;
- the aggregate losses of the company which are not recovered reach one-third of the company's total paid-in share capital;
- when shareholders alone or in aggregate holding 10% or more of the company's shares request the convening of an extraordinary general meeting;
- whenever the board of directors deems necessary;
- when the board of supervisors so requests; or
- other circumstances as provided for in the articles of associations.

Under the Company Law, shareholders' general meetings shall be convened by the board of directors, and presided over by the chairman of the board of directors. In the event that the chairman is incapable of performing or does not perform his duties, the meeting shall be presided over by the vice chairman. In the event that the vice chairman is incapable of performing or not performing his duties, a director nominated by more than half of directors shall preside over the meeting.

Where the board of directors is incapable of performing or not performing its duties of convening the shareholders' general meeting, the board of supervisors shall convene and preside over such meeting in a timely manner. In case the board of supervisors fails to convene and preside over such meeting, shareholders alone or in aggregate holding more than 10% of the company's shares for 90 days consecutively may unilaterally convene and preside over such meeting.

Under the Company Law, notice of shareholders' general meeting shall state the time and venue of and matters to be considered at the meeting and shall be given to all shareholders 20 days before the meeting. Notice of extraordinary shareholder's general meetings shall be given to all shareholders 15 days prior to the meeting. Under the Special Regulations and the Mandatory Provisions, such notice shall be delivered to all the registered shareholders 45 days in advance to the meeting, and the matters to be considered and time and venue of the meeting shall be specified. The written reply of shareholders planning to attend the meeting shall be delivered to the company 20 days in advance of the meeting.

There is no specific provision in the Company Law regarding the number of shareholders constituting a quorum in a shareholders' meeting. Pursuant to the Special Regulations and the Mandatory Provisions, shareholder's general meeting may be convened where the number of voting shares held by the shareholders present at the meeting reaches one half or more of the company's total voting shares. If this is not attained, the company shall within five days notify the shareholders again of the matters to be considered and time and venue of the meeting to shareholders in the form of public announcement. The company may convene the shareholders' general meeting after such public announcement. Pursuant to the Mandatory Provisions, modification or abrogation of rights conferred to any class of shareholders shall be passed both by special resolution of shareholders' general meeting and by class meeting convened respectively by shareholders of the affected class.

Pursuant to the Special Regulations, where the company convenes annual shareholder's general meeting, shareholders holding more than 5% of voting shares have a right to submit to the company new proposals in writing, in which the matters falling within the scope of shareholder's general meeting shall be placed in the agenda of the meeting.

Under the Company Law, shareholders present at shareholders' general meeting have one vote for each share they hold, save that shares held by the company are not entitled to any voting rights.

Pursuant to the provisions of the articles of association or a resolution of the shareholders' general meeting, the accumulative voting system may be adopted for the election of directors and supervisors at the shareholders' general meeting. Under the accumulative voting system, each share shall be entitled to vote equivalent to the number of directors or supervisors to be elected at the shareholders' general meeting and shareholders may consolidate their voting rights when casting a vote.

Pursuant to the Company Law and the Mandatory Provisions, resolutions of the shareholders' general meeting shall be adopted by more than half of the voting rights held by the shareholders present at the meeting. However, resolutions of the shareholders' general meeting regarding the following matters shall be adopted by more than two-thirds of the voting rights held by the shareholders present at the meeting: (i) amendments to the articles of association; (ii) the increase or decrease of registered capital; (iii) the issue of any types of shares, warrants or other similar securities; (iv) the issue of debentures; (v) the merger, division, dissolution, liquidation or change in the form of the company; (vi) other matters considered by the shareholders' general meeting, by way of an ordinary resolution, to be of a nature which may have a material impact on the company and should be adopted by a special resolution.

Under the Company Law, meeting minutes shall be prepared in respect of decisions on matters discussed at the shareholders' general meeting. The chairman of the meeting and directors attending the meeting shall sign to endorse such minutes. The minutes shall be kept together with the shareholders' attendance register and the proxy forms.

Board

Under the Company Law, a joint stock limited company shall have a board of directors, which shall consist of 5 to 19 members. Members of the board of directors may include representatives of the employees of the company, who shall be democratically elected by the company's staff at the staff representative assembly, general staff meeting or otherwise. The term of a director shall be stipulated in the articles of association, but no term of office shall last for more than three years. Directors may serve consecutive terms if re-elected. A director shall continue to perform his duties in accordance with the laws, administrative regulations and articles of association until a duly re-elected director takes office, if re-election is not conducted in a timely manner upon the expiry of his term of office, or if the resignation of directors results in the number of directors being less than the quorum.

Under the Company Law, the board of directors mainly exercises the following powers:

- to convene the shareholders' general meetings and report on its work to the shareholders' general meetings;
- to implement the resolutions passed in shareholders' general meetings;
- to decide on the company's business plans and investment proposals;
- to formulate the company's proposed annual financial budget and final accounts;
- to formulate the company's profit distribution proposals and loss recovery proposals;
- to formulate proposals for the increase or reduction of the company's registered capital and the issuance of corporate bonds;
- to prepare plans for the merger, division, dissolution and change in the form of the company;
- to formulate the company's basic management system; and
- to exercise any other power under the articles of association.

Board Meetings

Under the Company Law, meetings of the board of directors of a joint stock limited company shall be convened at least twice a year. Notice of meeting shall be given to all directors and supervisors 10 days before the meeting. Interim board meetings may be proposed to be convened by shareholders representing more than 10% of voting rights, more than one-third of the directors or the board of supervisors. The chairman shall convene and preside over such meeting within 10 days after receiving such proposal. Meetings of the board of directors shall be held only if half or more of the directors are present. Resolutions of the board of directors shall be passed by more than half of all directors. Each director shall have one vote for resolutions to be approved by the board of directors. Directors shall attend board meetings in person. If a director is unable to attend a board meeting, he may appoint another director by a written power of attorney specifying the scope of the authorization to attend the meeting on his behalf.

If a resolution of the board of directors violates the laws, administrative regulations or the articles of association, and as a result of which the company sustains serious losses, the directors participating in the resolution are liable to compensate the company. However, if it can be proved that a director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such director may be released from that liability.

Chairman of the Board

Under the Company Law, the board of directors shall appoint a chairman and may appoint a vice chairman. The chairman and the vice chairman are elected with approval of more than half of all the directors. The chairman shall convene and preside over board meetings and examine the implementation of board resolutions. The vice chairman shall assist the work of the chairman. In the event that the chairman is incapable of performing or not performing his duties, the duties shall be performed by the vice chairman. In the event that the vice chairman is incapable of performing or not performing his duties, a director nominated by more than half of the directors shall perform his duties.

Qualification of Directors

The Company Law provides that the following persons may not serve as a director:

- a person who is unable or has limited ability to undertake any civil liabilities;
- a person who has been convicted of an offense of bribery, corruption, embezzlement or misappropriation of property, or the destruction of socialist market economy order; or who has been deprived of his political rights due to his crimes, in each case where less than five years have elapsed since the date of completion of the sentence;
- a person who has been a former director, factory manager or manager of a company or an enterprise that has entered into insolvent liquidation and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the bankruptcy and liquidation of the company or enterprise;
- a person who has been a legal representative of a company or an enterprise that has had its business license revoked due to violations of the law and has been ordered to close down by law and the person was personally responsible, where less than three years have elapsed since the date of such revocation; or
- a person who is liable for a relatively large amount of debts that are overdue.

Other circumstances under which a person is disqualified from acting as a director are set out in the Mandatory Provisions.

Board of Supervisors

A joint stock limited company shall have a board of supervisors composed of not less than three members. The board of supervisors is made up of representatives of the shareholders and an appropriate proportion of representatives of the employees of the company. The actual proportion shall be stipulated in the articles of association, provided that the proportion of representatives of the employees shall not be less than one third of the supervisors. Representatives of the employees of the company in the board of supervisors shall be democratically elected by the employees at the employees' representative assembly, employees' general meeting or otherwise.

The directors and senior management may not act concurrently as supervisors.

The board of supervisors shall appoint a chairman and may appoint a vice chairman. The chairman and the vice chairman of the board of supervisors are elected with approval of more than half of all the supervisors. The chairman of the board of supervisors shall convene and preside over the meetings of the board of supervisors. In the event that the chairman of the board of supervisors is incapable of performing or not performing his duties, the vice chairman of the board of supervisors shall convene and preside over the meetings of the board of supervisors. In the event that the vice chairman of the board of supervisors is incapable of performing or not performing his duties, a supervisor nominated by more than half of the supervisors shall convene and preside over the meetings of the board of supervisors.

Each term of office of a supervisor is three years and he or she may serve consecutive terms if re-elected. A supervisor shall continue to perform his duties in accordance with the laws, administrative regulations and articles of association until a duly re-elected supervisor takes office, if re-election is not conducted in a timely manner upon the expiry of his term of office, or if the resignation of supervisors results in the number of supervisors being less than the quorum.

The board of supervisors exercises the following powers:

- to review the company's financial position;
- to supervise the directors and senior management in their performance of their duties and to propose the removal of directors and senior management who have violated laws, regulations, the articles of association or the resolutions of shareholders' meeting;
- when the acts of directors and senior management are harmful to the company's interests, to require correction of those acts;
- to propose the convening of extraordinary shareholders' general meetings and to convene and preside over shareholders' general meetings when the board of directors fails to perform the duty of convening and presiding over shareholders' general meeting under this law;
- to initiate proposals for resolutions to shareholders' general meeting;
- to initiate proceedings against directors and senior management;
- other powers specified in the articles of association; and
- Supervisors may attend board meetings and make enquiries or proposals in respect of board resolutions. The board of supervisors may initiate investigations into any irregularities identified in the operation of the company and, where necessary, may engage an accounting firm to assist their work at the company's expense.

Manager and Senior Management

Under the Company Law, a company shall have a manager who shall be appointed or removed by the board of directors. The manager shall report to the board of directors and may exercise the following powers:

- to supervise the business and administration of the company and arrange for the implementation of resolutions of the board of directors;

- to arrange for the implementation of the company's annual business plans and investment proposals;
- to formulate the general administration system of the company;
- to formulate the company's detailed rules;
- to recommend the appointment and dismissal of deputy managers and person in charge of finance;
- to appoint or dismiss other administration officers (other than those required to be appointed or dismissed by the board of directors); and
- to other powers conferred by the board of directors or the articles of association.

The manager shall comply with other provisions of the articles of association concerning his/her powers. The manager shall attend board meetings.

According to the Company Law, senior management shall mean the manager, deputy manager(s), person-in-charge of finance, board secretary (in case of a listed company) of a company and other personnel as stipulated in the articles of association.

Duties of Directors, Supervisors and Senior Management

Directors, supervisors and senior management of the company are required under the Company Law to comply with the relevant laws, regulations and the articles of association, and have fiduciary and diligent duties to the company. Directors, supervisors and senior management are prohibited from abusing their powers to accept bribes or other unlawful income and from misappropriating of the company's properties. Directors and senior management are prohibited from:

- misappropriation of the company's capital;
- depositing the company's capital into accounts under his own name or the name of other individuals;
- loaning company funds to others or providing guarantees in favor of others supported by the company's assets in violation of the articles of association or without prior approval of the shareholders' general meeting or board of directors;
- entering into contracts or deals with the company in violation of the articles of association or without prior approval of the shareholders' general meeting;
- using their position and powers to procure business opportunities for themselves or others that should have otherwise been available to the company or operating for their own benefits or managing on behalf of others businesses similar to that of the company without prior approval of the shareholders' general meeting;
- accept and possess commissions paid by a third party for transactions conducted with the company;

- unauthorized divulgence of confidential business information of the company; or
- other acts in violation of their duty of loyalty to the company.

A director, supervisor or senior management who contravenes any law, regulation or the company's articles of association in the performance of his duties resulting in any loss to the company shall be personally liable to the company.

Finance and Accounting

Under the Company Law, a company shall establish financial and accounting systems according to laws, administrative regulations and the regulations of the financial department of the State Council and shall at the end of each financial year prepare a financial and accounting report which shall be audited by an accounting firm as required by law. The company's financial and accounting report shall be prepared in accordance with provisions of the laws, administrative regulations and the regulations of the financial department of the State Council.

Pursuant to the Company Law, the company shall deliver its financial and accounting reports to all shareholders within the time limit stipulated in the articles of association and make its financial and accounting reports available at the company for inspection by the shareholders at least 20 days before the convening of an annual general meeting of shareholders. It must also publish its financial and accounting reports.

When distributing each year's after-tax profits, it shall set aside 10% of its after-tax profits into a statutory common reserve fund (except where the fund has reached 50% of its registered capital).

If its statutory common reserve fund is not sufficient to make up losses of the previous year, profits of the current year shall be applied to make up losses before allocation is made to the statutory common reserve fund pursuant to the above provisions.

After allocation of the statutory common reserve fund from after-tax profits, it may, upon a resolution passed at the shareholders' general meeting, allocate discretionary common reserve fund from after-tax profits.

The remaining after-tax profits after making up losses and allocation of common reserve fund shall be distributed in proportion to the number of shares held by the shareholders, unless otherwise stipulated in the articles of association.

Shares held by the Company shall not be entitled to any distribution of profit.

The premium received through issuance of shares at prices above par value and other incomes required by the financial department of the State Council to be allocated to the capital reserve fund shall be allocated to the company's capital reserve fund.

The Company's reserve fund shall be applied to make up losses of the company, expand its business operations or be converted to increase the registered capital of the company. However, the capital reserve fund may not be applied to make up the company's losses. Upon the conversion of statutory common reserve fund into capital, the balance of the statutory common reserve fund shall not be less than 25% of the registered capital of the company before such conversion.

The Company shall have no other accounting books except the statutory accounting books. Its assets shall not be deposited in any accounts opened in the name of any individual.

Appointment and Retirement of Accounting Firms

Pursuant to the Company Law, the appointment or dismissal of accounting firms responsible for the auditing of the company shall be determined by shareholders' general meeting or board of directors in accordance with provisions of articles of association. The accounting firm should be allowed to make representations when the shareholders' general meeting or board of directors conducts a vote on the dismissal of the accounting firm. The company should provide true and complete accounting evidences, books, financial and accounting reports and other accounting data to the accounting firm it employs without any refusal, withholding and misrepresentation.

The Special Regulations provide that a company shall employ an independent accounting firm complying with the relevant regulations of the State to audit its annual report and review and check other financial reports of the company. The accounting firm's term of office shall commence from their appointment at a shareholders' annual general meeting to the end of the next shareholders' annual general meeting.

Distribution of Profits

According to the Company Law, a company shall not distribute profits before losses are covered and the statutory common reserve is drawn. Under the Mandatory Provisions, a company shall appoint receiving agents on behalf of holders of the overseas listed and foreign invested shares to receive on behalf of such shareholders dividends and other distributions payable in respect of their overseas listed and foreign invested shares.

Amendments to Articles of Association

Any amendments to the company's articles of association must be made in accordance with the procedures set out in the company's articles of association. Any amendment of provisions incorporated in the articles of association in connection with the Mandatory Provisions will only be effective after approval by the company's approval department authorized by the State Council and the CSRC. In relation to matters involving the company's registration, its registration with the authority must also be changed.

Dissolution and Liquidation

According to the Company Law, a company shall be dissolved by reason of the following: (i) the term of its operations set down in the articles of association has expired or other events of dissolution specified in the articles of association have occurred; (ii) the shareholders' general meeting have resolved to dissolve the company; (iii) the company is dissolved by reason of merger or division; (iv) the business license is revoked; the company is ordered to close down or be dissolved; or (v) the company is dissolved by the people's court in response to the request of shareholders holding shares that represent more than 10% of the voting rights of all its shareholders, on the grounds that the company suffers significant hardship in its operation and management that cannot be resolved through other means, and the ongoing existence of the company would bring significant losses for shareholders.

In the event of (i) above, it may carry on its existence by amending its articles of association. The amendment of the articles of association in accordance with provisions set out above shall require approval of more than two thirds of voting rights of shareholders attending a shareholders' general meeting.

Where the company is dissolved in the circumstances described in subparagraphs (i), (ii), (iv), or (v) above, a liquidation group shall be established and the liquidation process shall commence within 15 days after the occurrence of an event of dissolution.

The members of the company's liquidation group shall be composed of its directors or the personnel appointed by the shareholders' general meeting. If a liquidation group is not established within the stipulated period, creditors may apply to the people's court and request the court to appoint relevant personnel to form the liquidation group. The people's court should accept such application and form a liquidation group to conduct liquidation in a timely manner.

The liquidation group shall exercise the following powers during the liquidation period:

- to handle the company's assets and to prepare a balance sheet and an inventory of the assets;
- to notify creditors through notice or public announcement;
- to deal with the company's outstanding businesses related to liquidation;
- to pay any tax overdue as well as tax amounts arising from the process of liquidation;
- to claim credits and pay off debts;
- to handle the company's remaining assets after its debts have been paid off; and
- to represent the company in civil lawsuits.

The liquidation group shall notify the company's creditors within 10 days after its establishment and issue public notices in newspapers within 60 days. A creditor shall lodge his claim with the liquidation group within 30 days after receiving notification, or within 45 days of the public notice if he did not receive any notification. A creditor shall state all matters relevant to his creditor rights in making his claim and furnish evidence. The liquidation group shall register such creditor rights. The liquidation group shall not make any debt settlement to creditors during the period of claim.

Upon liquidation of properties and the preparation of the balance sheet and inventory of assets, the liquidation group shall draw up a liquidation plan to be submitted to the shareholders' general meeting or people's court for confirmation.

The company's remaining assets after payment of liquidation expenses, wages, social insurance expenses and statutory compensation, outstanding taxes and debts shall be distributed to shareholders according to their shareholding proportion. It shall continue to exist during the liquidation period, although it can only engage in any operating activities that are related to the liquidation. The company's properties shall not be distributed to the shareholders before repayments are made in accordance to the foregoing provisions.

Upon liquidation of the company's properties and the preparation of the balance sheet and inventory of assets, if the liquidation group becomes aware that the company does not have sufficient assets to meet its liabilities, it must apply to the people's court for a declaration for bankruptcy.

Following such declaration, the liquidation group shall hand over all matters relating to the liquidation to the people's court.

Upon completion of the liquidation, the liquidation group shall submit a liquidation report to the shareholders' general meeting or the people's court for verification. Thereafter, the report shall be submitted to the registration authority of the company in order to cancel the company's registration, and a public notice of its termination shall be issued. Members of the liquidation group are required to discharge their duties honestly and in compliance with the relevant laws. Members of the liquidation group shall be prohibited from abusing their powers to accept bribes or other unlawful income and from misappropriating the company's properties.

A member of the liquidation group is liable to indemnify the company and its creditors in respect of any loss arising from his intentional or gross negligence.

Overseas Listing

According to the Special Regulations, a company shall obtain the approval of the CSRC to list its shares overseas. A company's plan to issue overseas listed and foreign invested shares and domestic shares which has been approved by the CSRC may be implemented by the board of directors of the company by way of separate issue within 15 months after approval is obtained from the CSRC.

Loss of Share Certificates

If a registered share certificate is lost, stolen or destroyed, the relevant shareholder may apply, in accordance with the relevant provisions set out in the Civil Procedure Law, to a people's court to declare such certificate invalid. After the people's court declares the invalidity of such certificate, the shareholder may apply to the company for a replacement share certificate. A separate procedure regarding the loss of overseas listed and foreign invested share certificates is provided for in the Mandatory Provisions.

Suspension and Termination of Listing

The Company Law has deleted provisions governing suspension and termination of listing. The PRC Securities Law has been amended as follows:

The trading of shares of a company on a stock exchange may be suspended if so decided by the stock exchange under one of the following circumstances:

(i) the registered capital or shareholding distribution no longer complies with the necessary requirements for a listed company;

(ii) the company failed to make public its financial position in accordance with the requirements or there is false information in the company's financial report with the possibility of misleading investors;

(iii) the company has committed a major breach of the law;

(iv) the company has incurred losses for three consecutive years; or

(v) other circumstances as required by the listing rules of the relevant stock exchange(s).

Under the PRC Securities Law, in the event that the conditions for listing are not satisfied within the period stipulated by the relevant stock exchange in the case described in (i) above, or the company has refused to rectify the situation in the case described in (ii) above, or the company fails to become profitable in the next subsequent year in the case described in (iv) above, the relevant stock exchange shall have the right to terminate the listing of the shares of the company.

Merger and Demerger

Companies may merge through merger by absorption or through the establishment of a newly merged entity. If it merges by absorption, the company which is absorbed shall be dissolved. If it merges by forming a new corporation, both companies will be dissolved.

SECURITIES LAW AND REGULATIONS

The PRC has promulgated a number of regulations that relate to the issue and trading of shares and disclosure of information. In October 1992, the State Council established the Securities Committee and the CSRC. The Securities Committee is responsible for coordinating the drafting of securities regulations, formulating securities-related policies, planning the development of securities markets, directing, coordinating and supervising all securities-related institutions in the PRC and administering the CSRC. The CSRC is the regulatory arm of the Securities Committee and is responsible for the drafting of regulatory provisions of securities markets, supervising securities companies, regulating public offers of securities by PRC companies in the PRC or overseas, regulating the trading of securities, compiling securities related statistics and undertaking relevant research and analysis. In April 1998, the State Council consolidated the two departments and reformed the CSRC.

The Interim Provisional Regulations on the Administration of Share Issuance and Trading (《股票發行與交易管理暫行條例》) deals with the application and approval procedures for public offerings of equity securities, trading in equity securities, the acquisition of listed companies, deposit, clearing and transfer of listed equity securities, the disclosure of information with respect to a listed company, investigation, penalties and dispute settlement.

On December 25, 1995, the State Council promulgated and implemented the Regulations of the State Council Concerning Domestic Listed Foreign Shares of Joint Stock Limited Companies (《國務院關於股份有限公司境內上市外資股的規定》). These regulations deal mainly with the issue, subscription, trading and declaration of dividends and other distributions of domestic listed and foreign invested shares and disclosure of information of joint stock limited companies having domestic listed and foreign invested shares.

The PRC Securities Law took effect on July 1, 1999 and was revised on August 28, 2004, October 27, 2005, June 29, 2013 and August 31, 2014, respectively. This is the first national securities law in the PRC, which is divided into 12 chapters and 240 articles regulating, among other things, the issue and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of the State Council's securities regulatory authorities. The PRC Securities Law comprehensively regulates activities in the PRC securities market. Article 238 of the PRC Securities Law provides that domestic enterprises shall obtain prior approval from the State Council's regulatory authorities to list its shares outside the PRC. Currently, the issue and trading of foreign issued shares (including H shares) are mainly governed by the rules and regulations promulgated by the State Council and the CSRC.

ARBITRATION AND ENFORCEMENT OF ARBITRAL AWARDS

The Arbitration Law of the PRC (《中華人民共和國仲裁法》) (the "**Arbitration Law**") was passed by the Standing Committee of the NPC on August 31, 1994, became effective on September 1, 1995 and was amended on August 27, 2009 and September 1, 2017. Under the Arbitration Law, an arbitration committee may, before the promulgation by the PRC Arbitration Association of arbitration regulations, formulate interim arbitration rules in accordance with the Arbitration Law and the Civil Procedure Law. Where the parties have by agreement provided arbitration as the method for dispute resolution, the people's court will refuse to handle the case except when the arbitration agreement is declared invalid.

The Mandatory Provisions require an arbitration clause to be included in the articles of association of an issuer. Matters in arbitration include any disputes or claims in relation to the issuer's affairs or as a result of any rights or obligations arising under its articles of association, the Company Law or other relevant laws and administrative regulations.

Where a dispute or claim of rights referred to in the preceding paragraph is referred to arbitration, the entire claim or dispute must be referred to arbitration, and all persons who have a cause of action based on the same facts giving rise to the dispute or claim or whose participation is necessary for the resolution of such dispute or claim, must comply with the arbitration. Disputes in respect of the definition of shareholder and disputes in relation to the issuer's register of shareholders need not be resolved by arbitration.

A claimant may elect for arbitration to be carried out at either the China International Economic and Trade Arbitration Commission (中國國際經濟貿易仲裁委員會) ("**CIETAC**") in accordance with its rules or the Hong Kong International Arbitration center ("**HKIAC**") in accordance with its Securities Arbitration Rules (the "**Securities Arbitration Rules**"). Once a claimant refers a dispute or claim to arbitration, the other party shall submit to the arbitral body elected by the claimant. If the claimant elects for arbitration to be carried out at the HKIAC, any party to the dispute or claim may apply for a hearing to take place in Shenzhen in accordance with the Securities Arbitration Rules. In accordance with the Arbitration Regulations of CIETAC (《中國國際經濟貿易仲裁委員會仲裁規則》) which was amended on November 4, 2014 and will be implemented on January 1, 2015, CIETAC shall deal with economic and trading disputes over contractual or non-contractual transactions, including disputes involving Hong Kong based on the agreement of the parties. The arbitration commission is established in Beijing and its branches and centers have been set up in Shenzhen, Shanghai, Tianjin and Chongqing.

Under the Arbitration Law and the Civil Procedure Law, an arbitral award is final and binding on the parties. If a party fails to comply with an award, the other party to the award may apply to the people's court for enforcement. A people's court may refuse to enforce an arbitral award made by an arbitration commission if there is any irregularity on the procedures or composition of arbitrators specified by law or the award exceeds the scope of the arbitration agreement or is outside the jurisdiction of the arbitration commission.

A party seeking to enforce an arbitral award of PRC arbitration panel against a party who, or whose property, is not within the PRC, may apply to a foreign court with jurisdiction over the case for enforcement. Similarly, an arbitral award made by a foreign arbitration body may be recognized and enforced by the PRC courts in accordance with the principles of reciprocity or any international treaty concluded or acceded to by the PRC. The PRC acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the "**New York Convention**") adopted on June 10, 1958 pursuant to a resolution of the Standing Committee of the NPC passed on December 2, 1986. The New York Convention provides that all arbitral awards made in a state which is a party to the New York Convention shall be recognized and enforced by all other parties to the New York Convention, subject to their right to refuse enforcement under certain circumstances, including where the enforcement of the arbitral award is against the public policy of the state to which the application for enforcement is made. It was declared by the Standing Committee of the NPC simultaneously with the accession of the PRC that (i) the PRC will only recognize and enforce foreign arbitral awards on the principle of reciprocity and (ii) the PRC will only apply the New York Convention in disputes considered under PRC laws to arise from contractual and non-contractual mercantile legal relations.

An arrangement was reached between Hong Kong and the Supreme People's Court for the mutual enforcement of arbitral awards. On June 18, 1999, the Supreme People's Court adopted the Arrangement on Mutual Enforcement of Arbitral Awards between Mainland China and Hong Kong (《關於內地與香港特別行政區相互執行仲裁裁決的安排》), which became effective on February 1, 2000. In accordance with this arrangement, awards made by PRC arbitral authorities under the Arbitration Law can be enforced in Hong Kong, and Hong Kong arbitration awards are also enforceable in the PRC.

Judicial judgment and its enforcement

According to the Arrangement on Mutual Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland China and of the Hong Kong Special Administrative Region Pursuant to Agreed Jurisdiction by Parties Concerned (《最高人民法院關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排》) promulgated by the Supreme People's Court on July 3, 2008 and implemented on August 1, 2008, in the case of final judgment, defined with payment amount and enforcement power, made between the court of China and the court of the Hong Kong Special Administrative Region in a civil and commercial case with written jurisdiction agreement, any party concerned may apply to the People's Court of China or the court of the Hong Kong Special Administrative Region for recognition and enforcement based on this arrangement. "Choice of court agreement in written" refers to a written agreement defining the exclusive jurisdiction of either the People's Court of China or the court of the Hong Kong Special Administrative Region in order to resolve dispute with particular legal relation occurred or likely to occur by the party concerned. Therefore, the party concerned may apply to the Court of China or the court of the Hong Kong Special Administrative Region to recognize and enforce the final judgment made in China or Hong Kong that meet certain conditions of the aforementioned regulations.

Shanghai-Hong Kong Stock Connect

On April 10, 2014, CSRC and Hong Kong Securities and Futures Commission (hereinafter referred to as "HKSFC") issued the Joint Announcement of China Securities Regulatory Commission and Hong Kong Securities and Futures Commission — Principles that Should be Followed when the Pilot Program that Links the Stock Markets in Shanghai and Hong Kong is Expected to be Implemented and approved in principle the launch of the pilot program that links the stock markets in Shanghai and Hong Kong (hereinafter referred to as "Shanghai-Hong Kong Stock Connect") by the Shanghai Stock Exchange (hereinafter referred to as "SSE"), the Stock Exchange, China Securities Depository and Clearing Co., Ltd. (hereinafter referred to as "CSDCC") and HKSCC. Shanghai-Hong Kong Stock Connect comprises the two portions of Northbound Trading Link and Southbound Trading Link. Southbound Trading Link refers to the entrustment of China securities houses by China investors to trade stocks listed on the Stock Exchange within a stipulated range via filing by the securities trading service company established by the SSE with the Stock Exchange. During the initial period of the pilot program, the stocks of Southbound Trading Link consist of constituent stocks of the Stock Exchange Hang Seng Composite Large Cap Index and the Hang Seng Composite MidCap Index as well as stocks of A+H stock companies concurrently listed on the Stock Exchange and the SSE. The total limit of Southbound Trading Link is RMB250 billion and the daily limit is RMB10.5 billion. During the initial period of the pilot program, it is required by HKSFC that China investors participating in Southbound Trading Link are only limited to institutional investors and individual investors with a securities account and capital account balance of not less than RMB500,000.

On November 10, 2014, CSRC and HKSFC issued a Joint Announcement, approving the official launch of Shanghai-Hong Kong Stock Connect by SSE, the Stock Exchange, CSDCC and HKSCC. Pursuant to the Joint Announcement, trading of stocks under Shanghai-Hong Kong Stock Connect will commence on November 17, 2014.

On September 30, 2016, CSRC issued the Filing Provision on the Placement of Shares by Hong Kong Listed Companies with Domestic Original Shareholders under Southbound Trading Link which came into effect on the same day. The act of the placement of shares by Hong Kong listed companies with domestic original shareholders under Southbound Trading Link shall be filed with CSRC. Hong Kong listed companies shall file the application materials and approved documents with CSRC after obtaining approval from the Stock Exchange for their share placement applications. CSRC will carry out supervision based on the approved opinion and conclusion of the Hong Kong side.

SUMMARY OF MATERIAL DIFFERENCES BETWEEN HONG KONG AND PRC COMPANY LAW

The Hong Kong law applicable to a company incorporated in Hong Kong is based on the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Companies Ordinance and is supplemented by common law and the rules of equity that are applicable to Hong Kong. As a joint stock limited company established in the PRC that is seeking a listing of shares on the Hong Kong Stock Exchange, we are governed by the Company Law and all other rules and regulations promulgated pursuant to the Company Law.

Set out below is a summary of certain material differences between Hong Kong company law applicable to a company incorporated in Hong Kong and the Company Law applicable to a joint stock limited company incorporated and existing under the Company Law. This summary is, however, not intended to be an exhaustive comparison.

Corporate Existence

Under Hong Kong company law, a company with share capital, is incorporated by the Registrar of Companies in Hong Kong which issues a certificate of incorporation to the Company upon its incorporation and the company will acquire an independent corporate existence. A company may be incorporated as a public company or a private company. Pursuant to the Companies Ordinance, the articles of association of a private company incorporated in Hong Kong shall contain certain preemptive provisions. A public company's articles of association do not contain such pre-emptive provisions.

Under the Company Law, a joint stock limited company may be incorporated by promotion or public subscription.

Hong Kong law does not prescribe any minimum capital requirement for a Hong Kong company.

Share Capital

The Hong Kong company law does not provide for authorized share capital. The share capital of a Hong Kong company would be its issued share capital. The full proceeds of a share issue will be credited to share capital and becomes a company's share capital. The directors of a Hong Kong company may, with the prior approval of the shareholders if required, issue new shares of the company. The Company Law does not provide for authorized share capital, either. Our registered capital is the amount of our issued share capital. Any increase in our registered capital must be approved by our shareholders' general meeting and the relevant PRC governmental and regulatory authorities.

Under the Securities Law, a company which is authorized by the relevant securities regulatory authority to list its shares on a stock exchange must have a total share capital of not less than RMB30 million. Hong Kong law does not prescribe any minimum capital requirements for companies incorporated in Hong Kong.

Under the Company Law, the shares may be subscribed for in the form of money or non-monetary assets (other than assets not entitled to be used as capital contributions under relevant laws and administrative regulations). For non-monetary assets to be used as capital contributions, appraisals and verification must be carried out to ensure no overvaluation or undervaluation of the assets. There is no such restriction on a Hong Kong company under Hong Kong Law.

Restrictions on Shareholding and Transfer of Shares

Under PRC law, our Domestic Shares, which are denominated and subscribed for in Renminbi, may only be subscribed for or traded by the State, PRC legal persons, natural persons, qualified foreign institutional investors, or eligible foreign strategic investors. Overseas listed shares, which are denominated in Renminbi and subscribed for in a currency other than Renminbi, may only be subscribed for, and traded by, investors from Hong Kong, Macau and Taiwan or any country and territory outside the PRC, or qualified domestic institutional investors.

Under the Company Law, a promoter of a joint stock limited company is not allowed to transfer the shares it holds for a period of one year after the date of establishment of the company. Shares in issue prior to our public offering cannot be transferred within one year from the listing date of the shares on a stock exchange. Shares in a joint stock limited liability company held by its directors, supervisors and managers and transferred each year during their term of office shall not exceed 25% of the total shares they held in the company, and the shares they held in the company cannot be transferred within one year from the listing date of the shares, and also cannot be transferred within half a year after the said personnel has left office. The articles of association may set other restrictive requirements on the transfer of the company's shares held by its directors, supervisors and officers. There are no such restrictions on shareholdings and transfers of shares under Hong Kong law apart from the six-month lockup on the company's issue of shares and the 12-month lockup on controlling shareholders' disposal of shares, as illustrated by the undertakings given by the Company and our controlling shareholder to the Hong Kong Stock Exchange.

Financial Assistance for Acquisition of Shares

The Company Law does not prohibit or restrict a joint stock limited company or its subsidiaries from providing financial assistance for the purpose of an acquisition of its own or its holding company's shares. However, the Mandatory Provisions contain certain restrictions on a company and its subsidiaries on providing such financial assistance similar to those under the Hong Kong company law.

Variation of Class Rights

The Company Law has no special provision relating to variation of class rights. However, the Company Law states that the State Council can promulgate regulations relating to other kinds of shares. The Mandatory Provisions contain elaborate provisions relating to the circumstances which are deemed to be variations of class rights and the approval procedures required to be followed in respect thereof. These provisions have been incorporated in the Articles of Association, which are summarized in "Appendix VI—Summary of the Articles of Association."

Under the Companies Ordinance, no rights attached to any class of shares can be varied except:

(i) If there are provisions in the articles of association relating to the variation of those rights, then in accordance with those provisions;

(ii) If there are not relevant provisions in the articles of associations, then (1) with the consent in writing of at least three fourths of the total voting rights of holders of the shares in the class in question, or (2) with the approval of a special resolution of the holders of the relevant class at a separate meeting.

Directors, Senior Management and Supervisors

The Company Law, unlike Hong Kong company law, does not contain any requirements relating to the declaration of directors' interests in material contracts, restrictions on directors' authority in making major dispositions, restrictions on companies providing certain benefits to directors and guarantees in respects of directors' liability and prohibitions against compensation for loss of office without shareholders' approval. The Mandatory Provisions, however, contain certain restrictions on major disposals and specify the circumstances under which a director may receive compensation for loss of office.

Board of Supervisors

Under the Company Law, a joint stock limited company's directors and managers are subject to the supervision of a supervisors committee. There is no mandatory requirement for the establishment of a board of supervisors for a company incorporated in Hong Kong. The Mandatory Provisions provide that each supervisor owes a duty, in the exercise of his powers, to act in good faith and honestly in what he considers to be in the best interests of the Company and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Derivative Action by Minority Shareholders

Hong Kong law permits minority shareholders to initiate a derivative action on behalf of all shareholders against directors who have committed a breach of their fiduciary duties to the company if the directors control a majority of votes at a general meeting, thereby effectively preventing a company from suing the directors in breach of their duties in its own name. The Company Law provides shareholders of a joint stock limited company with the right so that in the event where the directors and senior management violate their fiduciary obligations to a company, the shareholders individually or jointly holding over 1% of the shares in the company for more than 180 consecutive days may request in writing the board of supervisors to initiate proceedings in the people's court. In the event that the board of supervisors violates their fiduciary obligations to a company, the above said shareholders may send written request to the board of directors to initiate proceedings in the people's court. Upon receipt of such written request from the shareholders, if the board of supervisors or the board of directors refuses to initiate such proceedings, or has not initiated proceedings within 30 days upon receipt of the request, or if under urgent situations, failure of initiating immediate proceeding may cause irremediable damages to the company, the above said shareholders shall, for the benefit of the company's interests, have the right to initiate proceedings directly to the court in their own name.

The Mandatory Provisions provide further remedies against the directors, supervisors and senior management who breach their duties to the company. In addition, as a condition to the listing of shares on the Hong Kong Stock Exchange, each director and supervisor of a joint stock limited company is required to give an undertaking in favor of the company acting as agent for the shareholders. This allows minority shareholders to take action against directors and supervisors in default.

Protection of Minorities

Under Hong Kong law, the company may be wound up by the court if the court considers that it is just and equitable to do so, in addition, a shareholder who complains that the affairs of a company incorporated in Hong Kong are conducted in a manner unfairly prejudicial to his interests may petition to the court to make an appropriate order regulating the affairs of the company. Furthermore, under certain circumstances, the Financial Secretary of Hong Kong may appoint inspectors who are given extensive statutory powers to investigate the affairs of a company incorporated in Hong Kong. The PRC law does not contain similar safeguards.

The Mandatory Provisions, however, contain provisions that a controlling shareholder may not exercise its voting rights in a manner prejudicial to the interests of the shareholders generally or of a proportion of the shareholders of a company to relieve a director or supervisor of his duty to act honestly in the best interests of the company or to approve the expropriation by a director or supervisor of the company's assets or the individual rights of other shareholders.

Notice of Shareholders' Meetings

Under the Company Law, notice of a shareholder's annual general meeting must be given not less than 20 days before the meeting. Under the Special Regulations and the Mandatory Provisions, at least 45 days' written notice must be given to all shareholders, and shareholders who wish to attend the meeting must reply in writing at least 20 days before the date of the meeting. For a company incorporated in Hong Kong, the notice period for an annual general meeting is at least 21 days and in any other case, at least 14 days for a limited company and at least 7 days for an unlimited company.

Quorum for Shareholders' Meetings

Under Hong Kong law, the quorum for a general meeting must be at least two members unless the articles of association of the company otherwise provide. For companies with only one member, the quorum must be one member. The Company Law does not specify any quorum requirement for a shareholders' general meeting, but the Special Regulations and the Mandatory Provisions provide that general meetings may only be convened when replies to the notice of that meeting have been received from shareholders whose shares represent at least 50% of the voting rights at least 20 days before the proposed date of the meeting, or if that 50% level is not achieved, the company shall within five days notify its shareholders again by way of a public announcement and the shareholders' general meeting may be held thereafter.

Voting

Under Hong Kong law, an ordinary resolution is passed by a simple majority of votes cast by members present in person or by proxy at a general meeting and a special resolution is passed by a majority of not less than three-fourths of votes cast by members present in person or by proxy at a general meeting. Under the Company Law, the passing of any resolution requires affirmative votes of shareholders representing more than half of the voting rights represented by the shareholders who attend the general meeting except in cases of proposed amendments to a company's articles of association, increase or decrease of registered capital, merger, division or dissolution, or change of corporation form, which require affirmative votes of shareholders representing more than two-thirds of the voting rights represented by the shareholders who attend the general meeting.

Financial Disclosure

Under the Company Law, a joint stock limited company is required to make available at the company for inspection by shareholders its financial report 20 days before its shareholders' annual general meeting. In addition, a joint stock limited company of which the shares are publicly offered must publish its financial report. The Companies Ordinance requires a company incorporated in Hong Kong to send to every shareholder a copy of its balance sheet, auditors' report and directors' report, which are to be presented before the company in its annual general meeting, not less than 21 days before such meeting. A joint stock limited liability company is required under the PRC law to prepare its financial statements in accordance with the PRC GAAP. The Mandatory Provisions require that a company must, in addition to preparing financial statements according to the PRC GAAP, have its financial statements prepared and audited in accordance with international or Hong Kong accounting standards and its financial statements must also contain a statement of the financial effect of the material differences (if any) from the financial statements prepared in accordance with the PRC GAAP.

The Special Regulations require that there should not be any inconsistency between the information disclosed within and outside the PRC and that, to the extent that there are differences in the information disclosed in accordance with the relevant PRC and overseas laws, regulations and requirements of the relevant stock exchanges, such differences should also be disclosed simultaneously.

Information on Directors and Shareholders

The Company Law gives shareholders the right to inspect the company's articles of association, minutes of the shareholders' general meetings and financial and accounting reports. Under the Articles of Association, shareholders have the right to inspect and copy (at reasonable charges) certain information on shareholders and on directors which is similar to the shareholders' rights of Hong Kong companies under Hong Kong law.

Receiving Agent

Under the Company Law and Hong Kong law, dividends once declared are debts payable to shareholders. The limitation period for debt recovery action under Hong Kong law is six years, while under the PRC law this limitation period is two years. The Mandatory Provisions require the relevant company to appoint a trust company registered under the Hong Kong Trustee Ordinance (Chapter 29 of the Laws of Hong Kong) as a receiving agent to receive on behalf of holders of shares dividends declared and all other monies owed by the company in respect of its shares.

Corporate Reorganization

Corporate reorganization involving a company incorporated in Hong Kong may be effected in a number of ways, such as a transfer of the whole or part of the business or property of the company in the course of voluntary winding up to another company pursuant to Section 237 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance or a compromise or arrangement between the company and its creditors or between the company and its members pursuant to Section 673 and Section 674 of the Companies Ordinance, which requires the sanction of the court. Under PRC law, merger, division, dissolution or change to the status of a joint stock limited liability company has to be approved by shareholders in general meeting.

Dispute Arbitration

In Hong Kong, disputes between shareholders on the one hand, and a company incorporated in Hong Kong or its directors on the other, may be resolved through legal proceedings in the courts. The Mandatory Provisions provide that such disputes should be submitted to arbitration at either the HKIAC or the CIETAC, at the claimant's choice.

Mandatory Deductions

Under the Company Law, a joint stock limited liability company is required to make transfers equivalent to certain prescribed percentages of its after tax profit to the statutory common reserve fund. There are no corresponding provisions under Hong Kong law.

Remedies of the Company

Under the Company Law, if a director, supervisor or manager in carrying out his duties infringes any law, administrative regulation or the articles of association of a company, which results in damage to the company, that director, supervisor or manager should be responsible to the company for such damages. In addition, the Listing Rules require listed companies' articles of association to provide for remedies of the company similar to those available under Hong Kong law (including rescission of the relevant contract and recovery of profits from a director, supervisor or senior management).

Dividends

The company has the power in certain circumstances to withhold, and pay to the relevant tax authorities, any tax payable under PRC law on any dividends or other distributions payable to a shareholder. Under Hong Kong law, the limitation period for an action to recover a debt (including the recovery of dividends) is six years, whereas under PRC laws, the relevant limitation period is two years. The company must not exercise its powers to forfeit any unclaimed dividend in respect of shares until after the expiry of the applicable limitation period.

Fiduciary Duties

In Hong Kong, there is the common law concept of the fiduciary duty of directors. Under the Special Regulations, directors, supervisors are not permitted to engage in any activities which compete with or damage the interests of their company.

Closure of Register of Shareholders

The Companies Ordinance requires that the register of shareholders of a company must not generally be closed for the registration of transfers of shares for more than 30 days (extendable to 60 days in certain circumstances) in a year, whereas, as required by the Company Law and the Mandatory Provisions, share transfers shall not be registered within 30 days before the date of a shareholders' meeting or within five days before the base date set for the purpose of distribution of dividends.

Any person wishing to have detailed advice on PRC law or the laws of any jurisdiction is recommended to seek independent legal advice.

This Appendix contains the summary of the principal provisions of the Articles of Association of our Company. The following information is only a summary, which does not contain all the information that may be important.

Effective date of the Articles of Association

Upon approval through a special resolution at the general meeting of the Company and by relevant state departments, the Articles of Association shall take effect on the date the overseas listed foreign shares issued by the Company are listed on the Mainboard of The Stock Exchange of Hong Kong Limited, and shall replace the previous Articles of Association of the Company filed at the competent administration for industry and commerce.

The Articles of Association will become a binding document that normalizes the organization and behavior of our Company and the right-duty relations between our Company and its shareholders and among the shareholders.

Issuance of shares

The Company shall issue ordinary shares at all times. With the approval from authorities authorized by the State Council, the Company may issue other classes of shares when needed.

The Company shall issue shares in an open, fair and just manner, and each share of the same class shall have the same right.

All shares of the same class issued at the same time shall be issued under the same conditions and at the same price; the same price shall be paid for each share subscribed for by any entities or individuals.

The shares of the Company shall be issued in the form of share certificates. All the shares issued by the Company shall have a nominal value, denominated in RMB, with each share having a nominal value of RMB1.

Both holders of Domestic Shares and foreign shares are ordinary shareholders and have the equal rights and obligations.

Financial assistance for purchase of the Company's shares

The Company shall not, by any means and at any time, provide any financial assistance to purchasers or potential purchasers of the Company's shares. The aforesaid purchasers of the Company's shares include persons directly or indirectly undertaking obligations due to purchase of the Company's shares.

The Company or its subsidiaries shall not, by any means and at any time, provide any financial assistance to the aforesaid obligors for the purpose of reducing or discharging their obligations.

The acts listed below shall not be regarded as the acts prohibited:

(1) the Company provides the relevant financial assistance in the interests of the Company in good faith, and the primary purpose of the said financial assistance is not to purchase the Company's shares, or the said financial assistance is part of a master plan of the Company;

(2) the Company distributes its assets as dividends in accordance with the laws;

(3) the Company distributes dividends in the form of shares;

(4) the Company reduces its registered capital, repurchases its shares and adjusts the equity structure in accordance with the Articles of Association;

(5) the Company provides a loan for its normal business operations within its business scope (provided that such financial assistance shall not result in a reduction in the net assets of the Company, or in the event of such reduction, such financial assistance is provided out of the distributable profits of the Company);

(6) the Company provides the funding for employee share scheme (provided that such financial assistance shall not result in a reduction in the net assets of the Company, or in the event of such reduction, such financial assistance is provided out of the distributable profits of the Company).

"Financial assistance" includes (but not limited to) the following ways:

(1) gift;

(2) guarantee (including the undertaking of liability or provisions of property by the guarantor in order to guarantee the performance of the obligation by the obligor), indemnity (excluding, however, indemnity arising from the Company's own fault) and termination or waiver of rights;

(3) provision of a loan or signing of a contract under which the obligations of the Company are to be fulfilled prior to the fulfillment of the obligations of the other party to the contract, and a change in the party to such loan or agreement as well as the assignment of rights under such loan or contract;

(4) financial assistance provided in any other form when the Company is insolvent or has no net assets or when such assistance would lead to a significant reduction in the Company's net assets.

For the purposes of the Articles of Association, the term "undertake obligations" shall include the undertaking of an obligation by the obligor by entering into a contract or making an arrangement, whether or not such contract or arrangement is enforceable and whether or not such obligation is assumed by the obligor individually or jointly with any other person, or by changing its financial position in any other way.

INCREASE, DECREASE AND REPURCHASE OF SHARES

Increase of capital

The Company may, based on its business and development needs and in accordance with the requirements of laws and regulations, increase its capital in the following manners upon resolutions being adopted respectively by the general meetings:

(1) by issuing new shares to non-specified investors;

(2) by issuing new shares to specified investors;

(3) by placing or distributing new shares to its existing shareholders;

(4) by capitalizing its capital reserves;

(5) by other ways permitted by the laws, administrative regulations and pertinent regulatory authorities.

The Company's increase of capital by issuing new shares shall, after being approved in accordance with the provisions of the Articles of Association, be conducted in accordance with the procedures stipulated in the relevant laws and administrative regulations of the PRC.

Reduction of capital and repurchase of shares

Our Company may reduce our registered capital according to the Articles of Association of our Company.

In the event of reduction of registered capital, the Company shall prepare a balance sheet and an inventory of assets.

The Company shall notify its creditors within ten days from the date of the resolution in respect of registered capital reduction and publish an announcement in newspapers within thirty days from the date of the resolution. The creditors shall, within thirty days from the date of receiving the notice or within forty-five days from the date of publication of the announcement (for those who do not receive the notice), have a right to require the Company to settle their debts or to offer corresponding guarantees for their settlement .

The registered capital of the Company after such reduction shall not be lower than the statutory minimum amount.

Under the following circumstances, the Company may, according to the requirements of the laws, administrative regulations, departmental rules and the Articles of Association and obtaining the approval from relevant national competent authorities, repurchase its outstanding shares in accordance with statutory procedures:

(1) reducing the Company's registered capital and cancelling shares;

(2) merging with other companies which hold shares in the Company;

(3) awarding shares to employees of the Company;

(4) acquiring shares held by shareholders, who vote against any resolution proposed in any general meeting on the merger or division of the Company, upon their request;

(5) other circumstances as permitted by laws and administrative regulations.

The Company may repurchase its shares in one of the following manners with the approval from relevant national competent authorities:

(1) by making a pro rata general offer of repurchase to all shareholders;

(2) by repurchasing shares through public trading on a stock exchange;

(3) by repurchasing shares through an off-market agreement;

(4) by other means as permitted by laws, regulations, rules, normative documents and relevant competent authorities.

Where the Company repurchases its shares through an off-market agreement, it shall seek approval of the general meeting in accordance with the Articles of Association. The Company may terminate or amend an agreement entered into in the aforementioned manner or waive any of its rights thereunder with prior approval of the general meeting obtained in the same manner.

The agreement for the share repurchase referred to in the preceding paragraphs includes but not limited to agreements assuming obligations of share repurchase and acquiring the rights of the shares repurchased.

The Company shall not transfer an agreement for repurchasing its own shares or any of its rights thereunder.

With regard to the redeemable shares that the Company has the right to repurchase, if they are not repurchased on the market or by way of tender, the prices of these shares shall not exceed certain maximum price; if they are repurchased by way of tender, the tenders shall be available and proposed to all shareholders in the same manner.

After the shares are acquired by the Company pursuant to the requirements, the Company shall cancel such shares within the period prescribed by laws and administrative regulations, and shall apply to the original company registration authority for registration of the change in the registered capital.

The amount of our registered share capital shall be reduced by the aggregate nominal value of those cancelled shares.

Unless the Company is under liquidation, it shall comply with the following provisions in respect of the repurchase of its outstanding shares:

(1) where the Company repurchases its shares at nominal value, the amount thereof shall be deducted from the book balance of the distributable profits of the Company and from the proceeds of a new issue of shares made for the repurchase of shares;

(2) where the Company repurchases its shares at a price higher than nominal value, the portion corresponding to the nominal value shall be deducted from the book balance of the distributable profits of the Company and from the proceeds of a new issue of shares made for the repurchase of shares. The portion in excess of the nominal value shall be handled as follows:

1. if the shares repurchased were issued at nominal value, payment shall be deducted from the book balance of the distributable profits of the Company;

2. if the shares repurchased were issued at a price higher than their nominal value, payment shall be deducted from the book balance of the distributable profits of the Company and from the proceeds of a new issue of shares made for the repurchase of shares, provided that the amount deducted from the proceeds of the new issue of

shares shall not be more than the aggregate of premiums received by the Company at the time of the issue of the shares repurchased nor shall it be more than the amount of the Company's capital common reserve account (including the premiums on the new issue of shares) at the time of such repurchase;

(3) payment by the Company for the following purposes shall be paid out of the Company's distributable profits:

1. acquisition of rights to repurchase shares of the Company;

2. modification of any agreement for repurchasing shares of the Company;

3. release the Company's obligations under any agreement for repurchasing its shares.

(4) after the aggregate nominal value of the cancelled shares has been deducted from the registered capital of the Company in accordance with the relevant requirements, the amount deducted from the distributable profits for payment for repurchasing shares at their nominal value shall be accounted for in the Company's capital common reserve account.

Where the laws, regulations and relevant requirements of the Securities Regulatory Authorities in the place where the Company's shares are listed contain any other provisions in respect of the accounting treatment related to the aforementioned share repurchases, such provisions shall prevail.

Transfer of shares

All fully paid overseas listed foreign shares listed on the Hong Kong Stock Exchange may be transferred freely in accordance with the Articles of Association. However, the Board may refuse to recognize any instrument of transfer without any reasons unless the following conditions are satisfied:

(1) the instrument of transfer and any other documents related to or affecting the title of any shares shall be registered, and payment shall be made to the Company for such registration according to the standard charges stipulated by the Hong Kong Listing Rules, and such payment shall not exceed the maximum amount stipulated by the Hong Kong Listing Rules from time to time;

(2) the instrument of transfer only relates to the overseas listed foreign shares listed on the Hong Kong Stock Exchange;

(3) the stamp duty required by the laws of Hong Kong for the instrument of transfer has been paid;

(4) the relevant share certificates and evidence reasonably required by the Board showing that the transferor has the right to transfer such shares shall be provided;

(5) if the shares are to be transferred to joint holders, the number of joint shareholders registered shall not exceed four;

(6) the relevant shares are free from all liens of the Company;

(7) no shares shall be transferred to a minor or a person of unsound mind or under other legal disability .

If the Board of Directors refuses to register the transfer of shares, a notice of the rejection of registration of such transfer of shares shall be issued to the transferor and the transferee within two months upon the duly submission of transfer application.

The shares of the Company held by the promoters shall not be transferred within one year after the incorporation of the Company. Shares already issued by the Company before public offering shall not be transferred within one year after the shares of the Company are listed and traded on the stock exchange.

The directors, supervisors and senior management of the Company shall report to the Company their shareholdings and changes thereof and shall not transfer more than twenty-five percent of the total number of their shares in the Company per annum during their terms of office; the shares they hold in the Company shall not be transferred within one year after the shares of the Company are listed and traded. The aforesaid persons shall not transfer their shares in the Company within half a year after they terminate service with the Company.

SHARE CERTIFICATES

The share certificates of the Company shall be in registered form.

The following shall be specified in the Company's share certificates:

(1) the name of the Company;

(2) the date on which the Company was established;

(3) the class and par value of the shares and the number of shares represented;

(4) the serial number of the share certificates;

(5) other matters needed to be specified as required by the Company Law, the Special Regulations and the securities regulatory authorities of the place where the Company's shares are listed;

(6) where the equity of the Company includes shares without voting rights, the words "non-voting shares" must appear in the designation of such shares;

(7) where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favorable voting rights, must include the words "restricted voting" or "limited voting" .

The overseas listed foreign shares issued by the Company may take the form of overseas depositary receipt or other derivative forms of share certificate in accordance with laws and securities registration and depository practice of the place where the Company's shares are listed.

The share certificates shall be signed by the Chairman of the Board. Where the signatures of other senior management of the Company are required by the stock exchange(s) where the

Company's shares are listed, the share certificates shall also be signed by such other senior management. The share certificates shall become valid after the Company seal is affixed thereto or imprinted thereon. The affixing of the Company seal to the share certificates shall be authorized by the Board. The signature of the Chairman of the Board or such other senior management of the Company on the share certificates may also be in printed form. In case of paperless issuance and trading of the shares of the Company, provisions otherwise provided by the Securities Regulatory Authorities, the stock exchange(s) in the place where the Company's shares are listed shall apply.

Shareholders and register of shareholders

Shareholders

A shareholder of the Company is a person who lawfully holds shares of the Company and has his/her name (title) recorded in the register of shareholders.

A shareholder shall enjoy the relevant rights and assume the relevant obligations in accordance with the class and amount of shares he/she holds. Shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.

Where any of the joint shareholders deceases, only the surviving joint shareholders shall be deemed by the Company as having title to the relevant shares, but the Board may, for the purpose of modifying the register of shareholders, require the provision of a death certificate of the relevant shareholder as it deems appropriate. For joint shareholders of any share, only the person whose name stands first in the register of shareholders shall be entitled to receive such certificate of the relevant share or receive notice from the Company, and the service of notice to the aforesaid person shall be deemed as service of notice to all joint shareholders of the relevant shares.

Register of shareholders

The Company shall establish a register of shareholders and shall register therein the following particulars:

(1) the name (title), address (domicile), occupation or nature of each shareholder;

(2) the class and number of shares held by each shareholder;

(3) the amount paid or payable for the shares held by each shareholder;

(4) the serial number of the share certificate held by each shareholder;

(5) the date on which each shareholder is registered as a shareholder;

(6) the date on which each shareholder ceases to be a shareholder.

The shareholders' register is a sufficient evidence of the shareholders' shareholdings in the Company unless there is evidence to the contrary.

The Company may keep overseas the register of holders of overseas listed foreign shares and entrust the administration thereof to an overseas agent in accordance with the understanding and agreement reached between the Securities Regulatory Authorities of the State Council and the overseas Securities Regulatory Authorities. The original register of holders of overseas listed foreign shares listed in Hong Kong shall be kept in Hong Kong.

The Company shall keep at its domicile a copy of the register of holders of overseas listed foreign shares. The entrusted overseas agent shall always ensure that the original and copies of the register of holders of overseas listed foreign shares are consistent.

Where the original and copies of the register of holders of overseas listed foreign shares are inconsistent, the original shall prevail.

The Company shall keep a complete shareholders' register.

The shareholders' register shall include the following parts:

(1) the register(s) of shareholders kept at the Company's domicile other than those specified in items (2) and (3);

(2) the register(s) of holders of overseas listed foreign shares kept in the place(s) of the overseas stock exchange(s) where the shares are listed;

(3) the register(s) of shareholders kept in other places as the Board may decide and consider necessary for listing purposes.

The various parts of the register of shareholders shall not overlap with each another. The transfer of shares registered in a certain part of the register of shareholders shall not, during the continuance of the registration of such shares, be registered in any other part of the register of shareholders.

Changes and corrections to each part of the register of shareholders shall be carried out in accordance with the laws of the places where each part is kept.

Change of the register of shareholders arising from share transfer shall not be registered within thirty days before convening of a general meeting or within five days prior to the reference date set by the Company for the purpose of distribution of dividends. Provisions otherwise provided by the Securities Regulatory Authorities in the place(s) where the securities of the Company are listed shall prevail.

When the Company convenes a general meeting, distributes dividends, commences liquidation or participates in other activities requiring the recognition of shareholdings; the Board shall designate a certain date as the record date, at the end of which the shareholders in the register shall be shareholders of the Company.

If any person objects to the register of shareholders and requests to have his/her name (title) recorded in or deleted from the register of shareholders, the said person may apply to the court with jurisdiction to correct the register of shareholders.

If any shareholder in the register of shareholders or any person requesting to have his/her name (title) recorded in the register of shareholders loses his/her share certificates (hereinafter referred to as the "Original Share Certificates"), the said shareholder or person may apply to the Company to issue replacement certificates in respect of the said shares (hereinafter referred to as the "Relevant Shares").

The Company shall not be liable for any damages suffered by any person arising from the cancellation of the Original Share Certificates or the issuance of a new replacement share certificate, unless the claimant can prove that the Company has committed a fraudulent act.

RIGHTS AND OBLIGATIONS OF SHAREHOLDERS

A shareholder shall enjoy the relevant rights and assume the relevant obligations in accordance with the class and amount of shares he/she holds. Shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.

If the shareholder of the Company is a legal entity, the rights shall be enforced by its legal representative or a proxy of such legal representative.

The Company shall not exercise any rights to freeze or otherwise prejudice any rights attached to the shares held by any person who directly or indirectly has interest in the Company solely for the reason that such person fails to disclose to the Company any such interests.

Holders of unlisted foreign shares and domestic shares are the same class of shareholders despite any other clauses of the Articles of Association (particularly that the holders of unlisted foreign shares have the right to attend the same class of general meetings together with the holders of domestic shares, so as voting at the same class of general meetings and collecting the notice for calling the same class of general meetings), only except that holders of unlisted foreign shares can enjoy the following rights:

1. Collect dividends declared in foreign currency by our Company; and

2. Remit the remaining capital (if available) held by the holders of unlisted foreign shares in our Company to other countries pursuant to the applicable foreign exchange control laws and regulations of China as long as our Company is winding up.

The ordinary shareholders of the Company shall enjoy the following rights:

(1) the right to receive dividends and other profit distributions in proportion to their shareholdings;

(2) the right to attend or appoint proxies to attend general meetings and to exercise the voting rights;

(3) the right to supervise and manage the Company's business activities, to present proposals or to raise enquires;

(4) the right to transfer shares in accordance with laws, administrative regulations and provisions of the Articles of Association;

(5) the right to obtain relevant information in accordance with the provisions of the Articles of Association, including:

1. the right to obtain a copy of the Articles of Association, subject to payment of cost;

2. the right to inspect and copy, subject to payment of a reasonable charge:

   i. the register of all the shareholders;

   ii. personal particulars of each of the Company's Directors, Supervisors, General Manager and other senior management members, including:

      (a) present and former name and alias;

      (b) principal address (domicile);

      (c) nationality;

      (d) primary and all other part-time occupations and duties;

      (e) identification documents and the numbers thereof.

   iii. reports showing the status of the Company's issued share capital;

   iv. reports showing the aggregate nominal value, quantity, maximum and minimum prices paid in respect of each class of shares repurchased by the Company since the end of the last financial year and the aggregate amount incurred by the Company for this purpose (with a breakdown between Domestic Shares and foreign shares);

   v. minutes of general meetings (only available for inspection to shareholders) and copies of the Company's resolutions of general meetings, Board meetings and meeting of Supervisory Committee;

   vi. the latest audited financial statements, and reports of Board of Directors, auditors and Supervisory Committee of the Company;

   vii. a copy of the latest Annual Inspection Form that has been filed with the PRC Administration for Industry and Commerce or other competent authorities.

3. Counterfoils of corporate bonds.

   Documents of item 2ii to vii mentioned above and any other applicable documents shall be made available by the Company, according to the requirements of the Listing Rules, at the Company's address in Hong Kong, for the public and the shareholders to inspect free of charge (provided that minutes of general meetings are available for inspection by the shareholders only). When a shareholder requests to inspect the relevant information mentioned in the preceding paragraphs or obtain such materials, he/she shall provide the Company with such written documents evidencing the class and amount of shares his/her holds in the Company. The Company may provide such information per the shareholder's request after verifying his/her identity.

(6) in the event of the termination or liquidation of the Company, to participate in the distribution of remaining assets of the Company in accordance with the shareholdings;

(7) with respect to shareholders who vote against any resolution adopted at the general meeting on the merger or division of the Company, the right to demand the Company to buy back their shares;

(8) the right to initiate legal proceedings to the People's Court against acts which are detrimental to the interests of Company or infringe on the lawful interests of shareholders, and to claim the relevant interests pursuant to the Company Law or other laws and administrative regulations;

(9) other rights under laws, administrative regulations, listing rules of the place(s) where the shares of the Company are listed and the Articles of Association.

The Company shall not exercise any rights to freeze or otherwise prejudice any rights attached to the shares held by any person who directly or indirectly has interest in the Company solely for the reason that such person fails to disclose to the Company any such interests.

The ordinary shareholders of the Company shall have the following obligations:

(1) to abide by laws, administrative regulations and the Articles of Association;

(2) to pay capital contribution for the shares subscribed for in the prescribed method of subscription;

(3) except as otherwise provided by laws and regulations, withdrawal of share capital shall not be permitted;

(4) not to abuse shareholder's right to prejudice the interests of the Company or other shareholders; not to abuse the independent status of legal person of the Company or shareholder's limited liability to prejudice the interests of the creditors of the Company. Shareholders of the Company who abuse their shareholder's rights and thereby causing loss to the Company or other shareholders shall be liable for compensation according to the law. Where shareholders of the Company abuse the independent status of legal person of the Company and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company;

(5) to fulfill other obligations as stipulated by laws, administrative regulations and the Articles of Association.

Shareholders shall not be liable for further contribution to share capital other than the conditions agreed to as a subscriber of the shares at the time of subscription.

Where shareholders holding five percent or more of voting shares of the Company pledges any shares he/she holds, he/she shall notify the Company in writing on the day such pledge occurs.

SHAREHOLDERS' GENERAL MEETING

General rules for the Shareholders' General Meeting

The general meeting is the authority of power of the Company, and shall exercise the following duties and powers in accordance with the law:

(1) to decide the Company's operational policies and investment plans;

(2) to elect and change the Directors and Supervisors who are not representatives of the employees and decide on the remunerations of Directors and Supervisors;

(3) to examine and approve reports of the Board of Directors;

(4) to examine and approve reports of the Supervisory Committee;

(5) to examine and approve the proposed annual financial budgets, final accounts, balance sheets, profit statements and other financial statements of the Company;

(6) to examine and approve the profit distribution plans and loss recovery plans of the Company;

(7) to examine and approve the annual reports of the Company;

(8) to make resolutions on the increase or reduction of the registered capital of the Company as well as issuance of any classes of shares, warrants, and other similar securities;

(9) to make resolutions on the merger, division, dissolution, liquidation or change in the form of the Company;

(10) to make resolutions on the issuance of corporate bonds and other securities and listing of the Company;

(11) to make resolutions on the engagement, removal, or discontinuance of engagement of accounting firms by the Company;

(12) to amend the Articles of Association;

(13) to examine the proposals by the shareholders severally or jointly holding three percent or more of the voting shares of the Company;

(14) to examine the matters relating to the purchases and disposals of the Company's material assets or the provisions of guarantees within one year with an amount exceeding thirty percent of the Company's latest audited total assets;

(15) to examine and approve the external guarantees that shall be approved by the general meeting;

(16) to examine the share incentive schemes;

(17) to examine other matters required to be resolved at the general meeting pursuant to laws, administrative regulations, the listing rules of the place where the Company's shares are listed or provisions of the Articles of Association.

The general meeting can authorize or entrust the Board to handle the matters authorized or entrusted thereby, provided that the laws and regulations, and the mandatory laws and regulations of the place where the Company's shares are listed are not violated.

In addition to the situation that the Company is in crisis or other special circumstances, the Company shall not enter into contracts with a party (other than a Director, Supervisor, the General Manager and other senior management members) in relation to handover of the administration of all business or the important business of the Company to that party without the approval of the general meeting by special resolution.

Our Company's guarantees provided to shareholders or de facto controller(s) shall be subject to consideration of the general meeting.

If a director, General Manager and any other senior management member violates the requirements on the approval authority and consideration procedures for external guarantees as specified in laws, administrative regulations or the Articles of Association, thereby causing the Company to suffer a loss, he or she shall be held liable for compensation, and the Company may institute a legal action against him or her according to the laws.

The general meetings consist of annual general meetings and extraordinary general meetings. The annual general meeting shall be held once every year within six months from the end of the previous accounting year.

The extraordinary general meeting shall be convened as and when necessary. In the occurrence of any of the following events, the Board of Directors shall convene an extraordinary general meeting within two months:

(1) when the number of directors is less than the number stipulated in the Company Law or two-thirds of the number specified in the Articles of Association;

(2) when the unrecovered losses of the Company amount to one-third of the total amount of its paid-up share capital;

(3) when shareholder(s) individually or jointly holding ten percent or more of the Company's issued shares carrying voting rights request(s) in writing to convene an extraordinary general meeting (the number of shares held shall be the figure as at the date of the written request from the shareholder);

(4) when deemed necessary by the Board or when proposed by the Supervisory Committee;

(5) any other circumstances stipulated by laws, administrative regulations, the listing rules of the stock exchange where the Company's shares are listed or the Articles of Association.

PROPOSALS OF THE SHAREHOLDERS' GENERAL MEETING

When a general meeting is convened by the Company, the Board, Supervisory Committee and shareholders who individually or jointly hold three percent or more of the shares of the Company, shall be entitled to make proposals to the Company.

Shareholders, who individually or jointly hold three percent or more of the shares of the Company, may submit ad hoc proposals in writing to the convener ten days before the convening of the general meeting. The convener shall issue a supplemental notice of the general meeting within two days upon receipt of the proposals.

In addition, the convener, after issuing the notice of the general meeting, shall neither modify the proposals stated in the notice of general meetings nor add new proposals. The general meeting shall not vote or resolve on any proposals which are not contained in a notice of the general meeting or are not in compliance with the Articles of Association.

NOTICES OF THE SHAREHOLDERS' GENERAL MEETING

Notice of a general meeting shall satisfy the following requirements:

(1) be in writing;

(2) specific venue, date and time of the meeting;

(3) matters to be considered at the meeting;

(4) any information and explanations necessary to be made available to the shareholders for such shareholders to make sound decisions about the matters to be discussed. This principle includes (but not limited to) the provision of the specific terms and contract(s), if any, of the proposed transaction(s) and serious explanations about the reasons and effects when the Company proposes mergers, repurchase of shares, equity restructuring or other restructuring;

(5) in the event that any of the Directors, Supervisors, General Manager and other senior management has material interests in matters to be discussed, the nature and extent of the interests shall be disclosed. If the matters to be discussed affect any Director, Supervisor, General Manager and other senior management as a shareholder in a manner different from the manner they affect other shareholders of the same class, the difference shall be explained;

(6) the full text of any special resolution to be proposed for approval at the meeting;

(7) a prominent statement that all shareholders are eligible for attending the general meeting and are entitled to appoint proxies in writing to attend and vote at such meeting on his/her behalf, and that such proxy does not need to be a member of the Company;

(8) the time and venue for lodging a proxy form for the meeting;

(9) the record date for shareholders who are entitled to attend the general meeting;

(10) the name and telephone number of the contact person for the meeting.

The notice of the general meeting shall be served on the shareholders (whether or not such shareholder is entitled to vote at the general meeting) by hand or postage prepaid mail. The address of the recipient shall be the registered address as shown in the register of shareholders. For holders of Domestic Shares and Unlisted Foreign Shares, the notice of the general meeting may also be given by way of announcement.

The announcement referred above shall be published in one or more newspapers designated by the Securities Regulatory Authorities of the State Council forty-five to fifty days prior to the convening of the meeting. Once such an announcement is made, all holders of the Domestic Shares and Unlisted Foreign Shares shall be deemed to have received the relevant notice of the general meeting.

CONVENING OF SHAREHOLDERS' GENERAL MEETINGS

All shareholders whose names appear on the register of shareholders on the shareholding record date or their proxies are entitled to attend the general meeting and exercise their voting rights in accordance with the relevant laws, regulations, listing rules of the place where the shares of the Company are listed and the Articles of Association.

Shareholders may attend the general meeting in person or appoint proxies to attend and vote on their behalf. Any shareholder entitled to attend and vote at the general meeting shall have the right to appoint one or several persons (who may not be shareholders) to act as his or her proxy to attend and vote at the meeting on his or her behalf. The proxy(ies) so appointed by the shareholder(s) may, pursuant to the instructions of the shareholder(s), exercise the following rights:

(1) the shareholders' right to speak at the general meeting;

(2) the right to demand a poll by himself/herself or jointly with others;

(3) the right to exercise voting rights by a show of hands or by a poll, provided that where more than one proxy is appointed, the proxies may only exercise such voting rights by a poll.

If the shareholder is an authorized clearing house or its agent, such shareholder is entitled to appoint one or more persons it deems suitable to act as its proxy in any general meeting or shareholders' class meeting. If one or more persons is/are appointed as proxy(ies), the power of attorney shall clearly state the number and the class of shares represented by each of the proxies. The power of attorney shall be subject to the signature of the appointer of the authorized clearing house. The proxies so appointed may attend meetings (without certifying their due authorization by show of shareholding certificate, notarized power of attorney and/or further evidence) and exercise rights on behalf of the authorized clearing house (or its agent) as if that proxy is an individual shareholder of the Company.

The appointment of a proxy shall be in writing and signed by the appointing shareholder or his/her attorney duly authorized in writing; where the appointing shareholder is a legal person, such appointment shall be affixed with its seal or signed by its Director or attorney duly authorized.

The general meeting shall be convened by the Chairman of the Board, who shall also act as the chairman of the meeting. If the Chairman is unable to attend the meeting, the Board may appoint a director of the Company to convene and act as the chairman of the meeting on his/her behalf. In the event that no chairman is appointed, the attending shareholders shall elect one person to act as the chairman of the meeting; if, for any reason, the shareholders fail to elect a chairman of the general meeting, the shareholder (including his/her proxy) holding the largest number of voting shares among the attending shareholders shall be the chairman of the general meeting.

VOTING RIGHTS AND RESOLUTIONS OF SHAREHOLDERS' GENERAL MEETINGS

Resolutions of the general meeting include ordinary resolutions and special resolutions.

Ordinary resolution at a general meeting shall be adopted by more than one half of the voting rights held by shareholders (including their proxies) attending the general meeting.

Special resolution at a general meeting shall be adopted by two-thirds or more of the voting rights held by shareholders (including their proxies) attending the general meeting.

The following matters shall be resolved by way of ordinary resolutions at a general meeting:

(1) work reports of the Board and the Supervisory Committee;

(2) profit distribution plan and loss recovery plan formulated by the Board;

(3) dismissal of the members of the Board and Supervisory Committee, and remuneration and payment methods thereof;

(4) annual financial budget report, final accounts report, balance sheets, income statements and other financial statements of the Company;

(5) the Company's annual report;

(6) matters other than those requiring approval by special resolutions in accordance with laws, administrative regulations or the Articles of Association.

The following matters shall be resolved by way of special resolutions at a general meeting:

(1) increase or reduction of registered capital of the Company and issue of shares of any class, stock warrants or other similar securities;

(2) issuance of corporate bonds;

(3) division, merger, dissolution, liquidation or change in the form of the Company;

(4) amendments to the Articles of Association;

(5) purchase or disposal of major assets or the provision of security by the Company within one year with the value exceeding thirty percent of the latest audited total assets of the Company;

(vi) share incentive schemes;

(vii) other matters as resolved by an ordinary resolution at general meetings that will have a material impact on the Company and accordingly shall be approved by a special resolution;

(viii) matters requiring approval by special resolutions in accordance with laws, administrative regulations, listing rules of the stock exchange on which the shares of the Company are listed or the Articles of Association.

Shareholders attending a general meeting (including their proxies) shall expressly specify whether they are in favor of or against any matter which is being voted for. Any abstention vote or waiver of voting shall be deemed as “abstain”. Blank, wrong, illegible or uncast votes shall be deemed as the voters’ waiver of their voting rights, and the voting results representing the shares held by such voters shall be counted as “abstain”. The abstention vote shall be regarded as valid votes when the Company counts the votes in respect of the relevant matter.

Shareholders (including their proxies) who vote at a general meeting shall exercise their voting rights according to the number of voting shares they represent, with one vote for each share. However, shares in the Company which are held by the Company do not carry any voting rights, and shall not be counted in the total number of voting shares represented by shareholders present at a general meeting.

Voting at general meetings shall be conducted by a show of hands, unless the following persons demand a poll before or after voting by a show of hands, or relevant regulations of securities regulatory authority at the location where the shares of the Company are listed require voting by a poll:

(1) the chairman of the meeting;

(2) at least two shareholders with voting rights or proxies thereof;

(3) one or more shareholders (including their proxies) individually or jointly holding ten percent or more of all shares carrying the right to vote at the meeting.

Unless someone demands a poll, the chairman of the meeting shall announce the result of voting by a show of hands on proposals, and shall record the result in the minutes as final evidence, without specifying the number or percentage of in favor of or against the resolutions approved at the meeting.

The demand for a poll can be withdrawn by the proposer.

If the matter required to be voted by way of a poll relates to election of chairman or adjournment of meeting, a poll shall be conducted immediately; in respect of other matters required to be voted by way of a poll, the chairman may decide the time of a poll, and the meeting may proceed to consider other matters. The voting results shall still be deemed as resolutions passed at the said meeting.

When voting by a poll, shareholders (including their proxies) entitled to two or more votes need not cast all their votes for or against in the same way.

When the number of votes against and in favor are equal, either by a show of hands or by a poll, the chairman of the meeting shall be entitled to an additional vote.

The chairman of the meeting shall be responsible for determining whether a resolution of a general meeting has been passed. His/her decision shall be final and conclusive. It shall be announced at the meeting and recorded in the minutes of the meeting.

In the event that the chairman of the meeting has any doubt as to the result of a resolution put forward to the vote, he/she may have the votes counted. In the event that the chairman of the meeting fails to have the votes counted, any shareholder present in person or by proxy who objects to the result announced by the chairman of the meeting may demand that the votes counting immediately after the announcement of the voting result, and the chairman of the meeting shall have the votes counted immediately.

In the event that the votes are counted at the general meeting, the counting results shall be recorded in the minutes of the meeting.

The Board of Directors shall keep minutes of its resolutions on the matters discussed at the meeting. Chairman of the meeting and Directors, who attended the meeting, shall sign on the minutes of that meeting. The minutes of meeting together with the attendance record of the attending shareholders, the power of attorney of the proxies shall be kept at the Company's domicile.

SPECIAL PROCEDURES FOR VOTING OF CLASS SHAREHOLDERS

Shareholders holding different classes of shares shall be class shareholders.

Class shareholders shall enjoy the rights and assume the obligations in accordance with laws, administrative regulations, and the Articles of Association.

The Company shall not proceed to change or abrogate the rights of class shareholders unless such proposed change or abrogation has been approved by way of a special resolution at a general meeting and by a separate shareholder meeting convened by the class shareholders so affected in accordance with the Articles of Association.

According to the Articles of Association and other regulations of our Company, holders of unlisted foreign shares and domestic shares belong to the same class. Changing or abolishing of the right of either party is equivalent to changing or abolishing of the right of the other party (it depends). The changing or abolishing can be conducted after passing the special resolution of the shareholders' meeting or the shareholders' meeting at which holders of unlisted foreign shares and domestic shares are allowed to participate in and cast vote according to the Articles of Association (but does not have to pass the resolution of shareholders' meeting at which only holders of unlisted foreign shares or domestic shares are allowed to participate in and cast vote according to the Articles of Association).

The following circumstances shall be deemed as change or abrogation of the rights of a certain class shareholder:

(1) to increase or decrease the number of shares of such class, or to increase or decrease the number of shares of a class having voting rights, distribution rights or other privileges equal or superior to those of the shares of such class;

(2) to change all or part of the shares of such class into shares of another class or to change all or part of the shares of another class into shares of that class or to grant relevant conversion rights;

(3) to cancel or reduce rights to accrued dividends or cumulative dividends attached to shares of the said class;

(4) to reduce or cancel rights attached to the shares of the said class to preferentially receive dividends or to receive distributions of assets in a liquidation of the Company;

(5) to add, cancel or reduce share conversion rights, options, voting rights, transfer rights, pre-emptive placing rights, or rights to acquire securities of the Company attached to the shares of the said class;

(6) to cancel or reduce rights to receive company payables in a particular currency attached to the shares of the said class;

(7) to create a new class of shares with voting rights, distribution rights or other privileges equal or superior to those of the shares of the said class;

(8) to restrict the transfer or ownership of the shares of the said class or to impose additional restrictions;

(9) to issue rights to subscribe for, or to convert into, shares of the said class or another class;

(10) to increase the rights and privileges of the shares of another class;

(11) to restructure the Company in such a way to cause shareholders of different classes to undertake liabilities disproportionately during the restructuring;

(12) to amend or cancel provisions in this chapter.

Shareholders of the affected class, whether or not with the rights to vote at general meetings originally, shall have the right to vote at shareholders' class meetings in respect of matters referred to in items (2) to (8) and (11) to (12) above, except that interested shareholders shall not vote at such shareholders' class meetings.

The term "interested shareholders" in the preceding paragraph shall mean:

(1) in case of a buy-back of shares by the Company by way of a general offer to all shareholders in equal proportion or by way of open market transactions on a stock

exchange in accordance with Article 26 of the Articles of Association, the controlling shareholders as defined in Article 57 of the Articles of Association shall be the "interested shareholders";

(2) in case of a buy-back of shares by the Company by an off market agreement in accordance with Article 26 of the Articles of Association, holders of shares in relation to such agreement shall be the "interested shareholders";

(3) in case of a proposed restructuring of the Company, shareholders who assume a relatively lower proportion of obligation than the obligations imposed on the other shareholders of that class or who have an interest in the proposed restructuring that is different from the general interests in such proposed restructuring of the other shareholders of that class shall be the "interested shareholders".

Resolution of a shareholders' class meeting shall be passed only by two-thirds or more of the total voting rights being held by the shareholders of that class, who are entitled to do so, present and vote at the shareholders' class meeting in accordance with the Articles of Association.

The notice of a shareholders' class meeting shall be sent to the shareholders entitled to vote at such meeting only.

The procedure of a shareholders' class meeting shall, to the extent possible, be identical with the procedure of a general meeting. Provisions of the Articles of Association relevant to procedure for the holding of a general meeting shall be applicable to a shareholders' class meeting.

In the following circumstances, the special procedures for voting by class shareholders shall not apply:

(1) with the approval by a special resolution at the general meeting, the Company issues Domestic Shares or overseas listed foreign shares alone or at the same time at each interval of twelve months and the number of the proposed Domestic Shares and overseas listed foreign shares does not exceed twenty percent of the respective outstanding shares of such class;

(2) the Company has made the plans to issue Domestic Shares or overseas listed foreign shares at the time of incorporation and the implementation of such plan has been completed within fifteen months from the date of approval by the Securities Commission of the State Council;

(3) with the approval of the securities regulatory authorities of the State Council, the Company converts the already issued but unlisted shares (including Domestic Shares and unlisted foreign shares) into overseas listed shares.

SUBJECTED TO FRAUD OR COERCION, SOME SHAREHOLDERS CAN EXERCISE THE RIGHT

Save for the obligations imposed by laws, administrative regulations or required by the listing rules of the place where the shares of the Company are listed, the controlling shareholders shall not, in the exercise of their shareholders' rights, make decisions prejudicial to the interests of all or part of the shareholders in the exercise of their voting rights on the issues set forth below:

(1) releasing the responsibility of a Director or Supervisor to act in good faith in the best interests of the Company;

(2) approving the expropriation by a Director or Supervisor for his/her own or others' benefits, in any guise, of the Company's assets, including but not limited to any opportunities beneficial to the Company;

(3) approving the expropriation by a Director or Supervisor for his/her own or others' benefits of the personal interests of other shareholders, including but not limited to any rights to distributions and voting rights, but excluding restructuring of the Company submitted to general meeting for approval in accordance with the Articles of Association.

The term "Controlling Shareholder" referred above refers to a person that satisfies any of the following conditions:

(1) he/she, acting alone or in concert with others, has the power to elect half or more of the total number of Directors;

(2) he/she, acting alone or in concert with others, has the power to exercise or control the exercise of thirty percent or more of the Company's voting rights;

(3) he/she, acting alone or in concert with others, holds thirty percent or more of the issued and outstanding shares of the Company;

(4) he/she, acting alone or in concert with others, has de facto control over the Company in any other manner.

DIRECTORS AND BOARD OF DIRECTORS

Directors

Directors shall be elected at the general meeting with a term of three years. A Director may serve consecutive terms if re-elected upon the expiry of his/her term.

A Director need not hold any shares in the Company.

With prior approval given at a general meeting, the Company shall enter into written contracts relating to emoluments with the Directors. Such emoluments include:

(1) emoluments in respect of his/her service as Directors, Supervisors or senior management members of the Company;

(2) emoluments in respect of his/her service as Directors, Supervisors or senior management members of subsidiaries of the Company;

(3) emoluments in respect of the provision of other services in connection with the management of the Company and its subsidiaries;

(4) payment by way of compensation for loss of office, or as consideration for or in connection with his/her retirement from office.

No litigation shall be brought by the Directors or Supervisors against the Company for any benefit due to him/her in respect of the abovementioned matters except pursuant to the contracts mentioned above.

The Company shall neither directly or indirectly make a loan to or provide any security for the Directors, Supervisors, General Manager and other senior management members of the Company or its parent, nor make a loan or provide any security for any of their respective associates.

The foregoing provision is not applicable in the following circumstances:

(1) the provision by the Company of a loan to or a security for its subsidiaries;

(2) the provision by the Company of a loan or a security or any other funds available to its Directors, Supervisors, General Manager and other senior management members to meet expenditures incurred by him/her for the purpose of the Company or for the purpose of enabling him/her to perform his/her duties properly, in accordance with the terms of a service contract approved by the shareholders in a general meeting;

(3) if the ordinary business scope of the Company includes the lending of money and provision of security, the Company may make a loan to or provide a security to the relevant Directors, Supervisors, General Manager and other senior management members or their respective associates on normal commercial terms.

The Board of Directors

The Company shall have a Board of Directors which consists of nine Directors with one chairman and three independent Directors.

The Board of Directors shall be accountable to the general meeting and exercise the following powers and duties:

(1) to convene a general meeting and submit a work report to such meeting;

(2) to implement the resolutions of a general meeting;

(3) to decide on the operation plan and investment scheme of the Company;

(4) to prepare the draft annual budget and final accounts of the Company;

(5) to prepare the profit distribution plan and loss recovery plan of the Company;

(6) to prepare the plan for the Company to increase or reduce its registered capital, issuance of bonds or other securities and listing plans;

(7) to prepare plans for major assets acquisition and disposal, repurchase of the shares of the Company or the merger, divisions, dissolution and changes of the form of the Company;

(8) to decide on the establishment of the internal management organizations of the Company;

(9) to appoint or remove the General Manager and Secretary of the Board (and joint company secretaries) of the Company; to appoint or remove senior management members, such as Vice General Manager and Chief Financial Officer of the Company pursuant to the nominations of the General Manager; and to decide on the remuneration and rewards and penalties of them;

(10) to establish a basic management system of the Company;

(11) to prepare plans to amend the Articles of Association;

(12) to prepare share incentive schemes;

(13) to approve the matters in relation to investment, acquisition or disposal of assets, financing and related (connected) transactions as required by the listing rules of the stock exchange where our shares are listed;

(14) to decide on other major matters of the Company except for those as required by relevant laws, administrative regulations, the listing rules of the stock exchange where our shares are listed and the provisions of the Articles of Association to be passed by resolutions at the general meetings;

(15) to exercise other functions and powers conferred by relevant laws, administrative regulations, the listing rules of the stock exchange where our shares are listed, the Articles of Association or the general meetings.

Resolutions relating to the above, with the exception of items (6), (7) and (11) which shall be approved by not less than two-thirds of the Directors, shall be approved by not less than half of the Directors.

The board meeting can be held only when there are more than one half of the directors (including entrusted directors) attending the meeting.

Resolutions in respect of related transactions made by the Board of the Company shall come into effect only after they are signed by the independent Directors. When the Board of Directors considers any related transaction matters, the related Directors shall abstain from voting and shall not vote on behalf of other Directors. If less than three non-related Directors attend the meeting, such transaction shall be submitted to the general meeting for approval. Related Directors shall include Directors who fall into any of the followings: (1) the counterparty of a transaction; (2) owning direct or indirect control over the counterparty of a transaction; (3) holding a position in the counterparty or a legal person or other organization directly or indirectly controlling or controlled by such counterparty; (4) a close family member of the counterparty or the person who has direct or indirect control over the counterparty; (5) a close family member of any Director, Supervisor or senior management of the counterparty or the person who has direct or indirect control over the counterparty; and (6) a person which is considered to be able to affect the independent commercial judgment of the Company for other reasons as determined by the Company.

SUPERVISORY COMMITTEE

Our Company shall establish a supervisory committee. The Supervisory Committee consists of five members and one of them should be the chairman. The term of office of a supervisor is three years and the supervisors can be re-elected and re-appointed. Members of the Supervisory Committee consist of one shareholder representative supervisor, two employee representative supervisors and two independent supervisors (who are independent from shareholders of our Company and do not have any position in our Company).

The Supervisory Committee shall be accountable to the general meeting, and exercise the following duties and powers according to the laws:

(1) to review the financial position of the Company;

(2) to supervise the performance of Directors and senior management members if they violate laws, administrative regulations or the Articles of Association in fulfilling their duties to the Company, and propose dismissal of Directors and senior management members that have violated laws, administrative regulations, the Articles of Association or resolutions of the general meeting;

(3) to demand rectification by Directors and senior management members of the Company when the acts of such persons are prejudicial to the Company's interest;

(4) to review financial information such as financial reports, business reports, and profit distribution plans as proposed by the Board to the general meetings, and to engage certified public accountants and practicing auditors to assist with further examination in the name of the Company if there are any queries;

(5) to propose the convening of an extraordinary general meeting, and to convene and preside over the general meeting when the Board fails to perform such duties;

(6) to put forward proposals to general meetings;

(7) to propose the convening of extraordinary general meetings of the Board of Directors;

(8) to negotiate with Directors on behalf of the Company or initiate litigations against Directors and senior management members;

(9) other duties and powers conferred by laws, administrative regulations and the Articles of Association.

Supervisors may present at meetings of the Board of Directors.

FINANCIAL REPORT

The Company shall establish its financial and accounting system in accordance with relevant laws and administrative regulations, and PRC accounting standards formulated by the competent financial authorities under the State Council. The Company shall prepare a financial report at the end of each fiscal year, and such financial report shall be audited by an accounting firm in compliance with laws.

The Board of Directors of the Company shall submit the financial report prepared by the Company under relevant laws, administrative regulations and normative documents issued by local government and competent authorities to shareholders at each annual general meeting.

The financial report of the Company shall be kept at the Company and shall be made available to the shareholders twenty days before the annual general meeting is held. Each shareholder of the Company shall have the right to obtain the financial report mentioned in this Chapter.

The Company shall send the report mentioned above or the report of the Board of Directors together with the balance sheet (including all documents which are required to be attached to the balance sheet under the laws) and profit and loss statement or statement of income and expenditure to each holder of overseas listed foreign shares by prepaid mail at least twenty-one days before the convening of the annual general meeting of shareholders. The address of the recipient shall be the registered address as shown on the register of shareholders.

Any interim results or financial information published or disclosed by the Company must also be prepared in accordance with the PRC accounting standards and regulations, and also in accordance with either international accounting standards or those of the place outside the PRC where the Company's shares are listed.

The Company shall publish two financial reports in each fiscal year; the interim financial report shall be published within sixty days after the end of the first six months of a fiscal year; the annual financial report shall be published within one hundred and twenty days after the end of the fiscal year.

The Company shall not establish account books other than the statutory account books. The assets of the Company shall not be deposited in any personal account.

PROFIT DISTRIBUTION

The Company shall, when distributing its after-tax profits of the year, withdraw ten percent of the profits into the Company's statutory reserve fund. The Company may not withdraw a statutory reserve fund if the cumulative amount has reached fifty percent or more of the Company's registered capital.

If the Company's statutory reserve fund could not cover the losses of the preceding year, profit of the year shall be used to cover the losses before withdrawing, according to the foregoing provision, the statutory reserve fund.

After the Company has withdrawn the statutory reserve fund from the after-tax profits, the Company may also withdraw discretionary statutory reserve fund from the after-tax profits upon the approval of the general meeting.

After losses have been covered and the statutory reserve fund has been allocated, any remaining after-tax profits shall be distributed to the shareholders in proportion to their shareholdings, unless otherwise stipulated in the Articles of Association.

Where the general meeting distributes profits to shareholders before losses have been covered and the statutory reserve fund has been allocated, which is in violation of the foregoing provision, the shareholders concerned shall refund to the Company the profits distributed in violation of the foregoing provision.

The shares of the Company held by the Company shall not be subject to profit distribution.

The Company shall appoint collection agents for holders of overseas listed foreign shares. The collection agents shall, on behalf of the related shareholders, collect distributed dividends and other payables by the Company for the overseas listed foreign shares.

The collection agents appointed by the Company shall be in compliance with the requirements of the laws or local stock exchange at the place where the shares of the Company are listed.

The collection agents appointed by the Company for holders of overseas listed foreign shares, which are listed in Hong Kong, shall be trust companies registered pursuant to Trustee Ordinance of Hong Kong.

The Company may exercise the power to cease sending dividend warrants to holders of overseas listed foreign shares by post if such warrants have been left uncashed for two consecutive times. Nevertheless, the Company may exercise such power after the first occasion on which such undelivered warrants are returned.

The Company may sell the shares held by a holder of overseas listed foreign shares who is untraceable in such ways as the Board of Directors thinks fit, provided that the following conditions shall be complied with:

(1) at least three dividends have been distributed in respect of such shares during the period of 12 years, and no dividend has been claimed by the shareholder during that period; and

(2) upon the expiry of the 12-year period, the Company shall make an announcement in one or more newspapers at the place where the shares of the Company are listed stating the Company's intention to sell the shares, and notify the Hong Kong Stock Exchange of such intention.

LIQUIDATION

The Company shall be dissolved and liquidated according to laws in any of the following circumstances:

(1) the general meeting has resolved to dissolve the Company;

(2) merger or division of the Company requires a dissolution;

(3) the Company is declared bankrupt in accordance with the law because it is unable to pay its debts as they fall due;

(4) the business license is revoked in accordance with the law, or the Company is ordered to close or is cancelled;

(5) if the Company gets into serious trouble in operations and management and continuation may incur material losses of the interests of the shareholders, and no solution can be found through any other means, the shareholders holding ten percent or more of the total voting rights of the Company may request the People's Court to dissolve the Company;

(6) the term of its operations specified in the Articles of Association has expired and other circumstance for dissolution specified in the Articles of Association has occurred.

Where the Company is dissolved under the circumstances set out in items (2), (4) and (5) above, the Company shall establish a liquidation committee within fifteen days, the composition of the liquidation committee shall be determined by ordinary resolution at the general meeting.

Where the Company is dissolved under the circumstance set out in item (3) above, the People's Court shall, according to relevant laws, order the formation of a liquidation committee comprising shareholders, relevant authorities and professionals to process the liquidation.

Where the Board resolves to liquidate the Company for any reason other than bankruptcy, the Board shall include a statement in its notice convening a general meeting to the effect that, after making full inquiry into the affairs of the Company, the Board is of the opinion that the Company shall be able to pay its debts in full within twelve months from the commencement of the liquidation.

The Board of the Company shall lose its powers immediately after the resolution for liquidation is passed at the general meeting.

The liquidation committee shall act in accordance with instructions of the general meeting and make a report at least once every year to the general meeting on the committee's income and expenses, the business of the Company and the progress of the liquidation; and present a final report to the general meeting upon completion of the liquidation.

The liquidation committee shall notify all creditors within ten days after its establishment and shall publish announcements in newspapers within sixty days. The creditors shall declare their rights to the liquidation committee within thirty days after receipt of the notice or within forty-five days after the announcement if the creditors have not received the notice.

When submitting their claims, creditors shall explain matters relating to their rights and provide evidential documents. The liquidation committee shall register the creditor's rights.

During the liquidation period, the liquidation committee shall exercise the following functions and powers:

(1) to examine and take possession of the Company's assets and prepare the balance sheet and a property inventory;

(2) to inform creditors by notice or announcement;

(3) to deal with the outstanding businesses of the Company relating to liquidation;

(4) to pay outstanding taxes;

(5) to settle claims and debts;

(6) to dispose of the remaining assets of the Company after repayment of debts;

(7) to represent the Company in civil proceedings.

After the liquidation committee has examined and taken possession of the assets of the Company and prepared a balance sheet and a property inventory, it shall formulate a liquidation proposal and submit it to the general meeting or relevant competent authorities for confirmation.

The assets of the Company remaining after settling debts pursuant to the requirements above shall be distributed to the shareholders as per the classes of their shares and their shareholding percentages. During the liquidation period, the Company remains in existence; however, it shall not commence any new business activity.

In the event of liquidation due to dissolution of the Company, after the liquidation committee has examined and taken possession of the assets of the Company and prepared a balance sheet and a property inventory, if it discovers that the Company's assets are insufficient to repay its debts in full, it shall immediately apply to the People's Court to declare the Company bankrupt.

Following a ruling by the People's Court that the Company is declared bankrupt, the liquidation committee shall hand over all matters relating to the liquidation to the People's Court.

After completion of liquidation of the Company, the liquidation committee shall prepare a liquidation report, a statement of revenue and expenditure and financial account books in respect of the liquidation period and, after verification thereof by an accountant registered in China, submit the same to the general meeting or the relevant authorities in charge for confirmation.

Within thirty days from the date of confirmation of the aforementioned documents by the general meeting or the relevant competent authorities, the liquidation committee shall deliver the same to the company registration authority, apply for cancellation of the Company's registration and publicly announce the Company's dissolution.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company may amend the Articles of Association pursuant to laws, administrative regulations, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association.

If the amendments to the Articles of Association involve content of the Mandatory Provisions, the said amendments shall be subject to approval by the company examination and approval authority authorized by the State Council and the Securities Commission of the State Council; If such amendments involve any registered particulars of the Company, application shall be made for change of registration in accordance with laws.

A. FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation of our Company

Our predecessor Agile Property Management Service Co., Ltd. (雅居樂物業管理服務有限公司) was established in the PRC as a limited liability company on June 26, 1997 and was converted to a joint stock company with limited liability under the Company Law with effect from July 21, 2017. Our Company has established a place of business in Hong Kong at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, and was registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on September 20, 2017. Mr. Chan Cheuk Hung has been appointed as our agent for the acceptance of service of process and notices on behalf of our Company in Hong Kong.

As we are incorporated in the PRC, our corporate structure and Articles of Association are subject to the relevant laws and regulations of the PRC. A summary of the relevant provisions of our Articles of Association is set out in Appendix VI to this prospectus. A summary of certain relevant aspects of the laws and regulations of the PRC is set out in Appendix V to this prospectus.

2. Changes in the share capital of our Company

On the date of our establishment, our registered capital was RMB0.3 million, which has been fully paid up.

On October 19, 2000, our registered capital was increased from RMB0.3 million to RMB5.0 million. The increased registered capital was contributed by then existing shareholders.

On July 30, 2005, our registered capital was increased from RMB5.0 million to RMB13.3 million. The increased registered capital was contributed by then existing shareholder.

On July 9, 2007, our registered capital was increased from RMB13.3 million to RMB20.0 million. The increased registered capital was contributed by then existing shareholder.

On April 28, 2008, our registered capital was increased from RMB20.0 million to RMB30.0 million. The increased registered capital was contributed by then existing shareholder.

On May 22, 2009, our registered capital was increased from RMB30.0 million to RMB45.0 million. The increased registered capital was contributed by then existing shareholder.

On June 13, 2010, our registered capital was increased from RMB45.0 million to RMB50.0 million. The increased registered capital was contributed by then existing shareholder.

On July 21, 2017, when our Company was converted into a joint stock company with limited liability. Our registered capital was RMB50.0 million, divided into 50 million Shares with a nominal value of RMB1.00 each.

On July 26, 2017, our Company increased our issued share capital from RMB50.0 million to RMB100.0 million by the conversion of capital reserve into share capital and by issuing and allotting Shares to three new Shareholders.

On August 21, 2017, our Company increased our issued share capital from RMB100.0 million to RMB1,000.0 million by the conversion of capital reserve into share capital.

Assuming the Over-allotment Option is not exercised, upon completion of the Global Offering, our registered Share capital will be increased to RMB1,333,334,000, made up of 900,000,000 unlisted Shares and 433,334,000 H Shares fully paid up or credited as fully paid up, representing approximately 67.5% and 32.5% of our registered share capital, respectively. Save as aforesaid, there has been no alteration in our share capital since our establishment.

3. Restriction of share repurchase

For details of the restrictions on the share repurchase by our Company, please see "Summary of the Articles of Association" in Appendix VI to this prospectus.

4. Resolutions of our Shareholders passed at our Company's extraordinary general meeting held on August 27, 2017

At the extraordinary general meeting of our Company held on August 27, 2017, among other things, the following resolutions were passed by the Shareholders:

(a) the issue by the Company of the H Shares with a nominal value of RMB1.00 each and such H Shares to be listed on the Stock Exchange;

(b) the listing of the H Shares converted from unlisted Foreign Shares held by Greenland Overseas;

(c) subject to the completion of the Global Offering, the Articles of Association has been approved and adopted, which shall only become effective on the Listing Date, and the Board has been authorized to amend the Articles of Association in accordance with any comments from the Stock Exchange and the relevant PRC regulatory authorities; and

(d) authorizing the Board to handle all relevant matters relating to, among other things, the implementation of issue of H Shares and the Listing.

5. Corporate Reorganization

We underwent the Reorganization, for details, please see "History, Reorganization and Corporate Structure". As confirmed by our PRC Legal Advisor, we have obtained all necessary approvals from relevant PRC regulatory authorities required for the implementation of the Reorganization.

6. Changes in the registered capital of subsidiaries

Our Company's subsidiaries are referred to in the Accountant's Report, the text of which is set out in Appendix I to this prospectus. Save for the subsidiaries mentioned in Appendix I to this prospectus, our Company has no other subsidiaries.

The following alteration in the registered capital of our subsidiaries took place within the two years immediately preceding the date of this prospectus:

Name of subsidiary	Date of change	Registered capital before change	Registered capital after change
Greenland Property Services	March 30, 2016	RMB5,000,000	RMB5,500,000

Save as set out above, there has been no alteration in the share capital of any of our subsidiaries within the two years immediately preceding the date of this prospectus.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of material contracts

We have entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years preceding the date of this prospectus that are or may be material:

(a) an equity transfer agreement dated June 25, 2017 entered into between our Company and Moral Place Holdings Limited (沛益控股有限公司), pursuant to which Moral Place Holdings Limited agreed to transfer 100% of the equity interest in Nanhai Agile to our Company at a consideration of RMB5,000,000;

(b) an investment cooperation framework agreement (投資合作框架協議) dated June 27, 2017 entered into among our Company, Agile Holdings and Greenland Holdings, pursuant to which, among other things, (i) Greenland Holdings, through its designated subsidiary and overseas affiliate, agreed to make an investment of RMB1,000,000,000 in aggregate to hold 20% of the then enlarged issued share capital of our Company; and (ii) our Company agreed to acquire 100% of the equity interest in Greenland Property Services from Greenland Holdings at a consideration of RMB1,000,000,000;

(c) an equity transfer agreement and a supplemental agreement both dated June 29, 2017 entered into among our Company, Greenland Holding Group (綠地控股集團有限公司), Greenland Holdings and Greenland Property Services, pursuant to which Greenland Holding Group agreed to transfer 90.9091% of the equity interest in Greenland Property Services to our Company and Greenland Holdings agreed to transfer 9.0909% of the equity interest in Greenland Property Services to our Company at a consideration of RMB909,091,000 and RMB90,909,000, respectively;

(d) an equity transfer agreement dated June 30, 2017 entered into between our Company and Heronic International Limited (御興國際有限公司), pursuant to which Heronic International Limited agreed to transfer 100% of the equity interest in Guangzhou Agile to our Company at a consideration of RMB1,000,000;

(e) an equity transfer agreement dated June 30, 2017 entered into between our Company and Big Natural Limited (敦朗有限公司), pursuant to which Big Natural Limited agreed to transfer 100% of the equity interest in Huadu Agile to our Company at a consideration of RMB3,464,715;

(f) an equity transfer agreement dated June 30, 2017 entered into between our Company and Concept Master Limited (銘茂有限公司), pursuant to which Concept Master Limited agreed to transfer 100% of the equity interest in Shanghai Harrogate to our Company at a consideration of RMB5,707,258;

(g) an equity transfer agreement dated June 30, 2017 entered into between our Company and Concept Master Limited (銘茂有限公司), pursuant to which Concept Master Limited agreed to transfer 100% of the equity interest in Guangzhou Harrogate to our Company at a consideration of RMB1,000,000;

(h) an equity transfer agreement dated June 30, 2017 entered into between our Company and Agile Property Agency Limited (雅居樂物業代理有限公司), pursuant to which Agile Property Agency Limited agreed to transfer 100% of the equity interest in Guangzhou Yazhuo to our Company at a consideration of RMB1,000,000;

(i) an equity transfer agreement dated June 30, 2017 entered into between our Company and Agile Travel Agency Limited (雅居樂旅遊代理有限公司), pursuant to which Agile Travel Agency Limited agreed to transfer 100% of the equity interest in Guangzhou Yafang to our Company at a consideration of RMB1,000,000;

(j) an equity transfer agreement dated June 30, 2017 entered into between our Company and Agile E-Commerce Limited (雅居樂電子商貿有限公司), pursuant to which Agile E-Commerce Limited agreed to transfer 100% of the equity interest in Guangzhou Yatian to our Company at a consideration of RMB10,000,000;

(k) an equity transfer agreement dated June 30, 2017 entered into between our Company and Agile Advertising Limited (雅居樂廣告有限公司), pursuant to which Agile Advertising Limited agreed to transfer 100% of the equity interest in Guangzhou Yatao to our Company at a consideration of RMB1,000,000;

(l) a capital increase agreement dated July 26, 2017 entered into among our Company, Gongqingcheng Investment, Deluxe Star and Zhongshan A-Living, pursuant to which Gongqingcheng Investment agreed to subscribe for 8,000,000 Shares at a subscription price of RMB200,000,000;

(m) an equity transfer agreement dated July 28, 2017 entered into among our Company, Hainan Agile Real Estate Development Co., Ltd. (海南雅居樂房地產開發有限公司) and Hainan Yaheng Real Estate Development Co., Ltd. (海南雅恆房地產發展有限公司), pursuant to which Hainan Agile Real Estate Development Co., Ltd. agreed to transfer 50% of the equity interest in Hainan Agile to our Company and Hainan Yaheng Real Estate Development Co., Ltd. agreed to transfer 50% of the equity interest in Hainan Agile to our Company at a consideration of RMB2,300,000 and RMB2,300,000, respectively;

(n) a capital increase agreement dated August 10, 2017 entered into among our Company, Ningbo Lvjin, Deluxe Star and Zhongshan A-Living pursuant to which Ningbo Lvjin agreed to subscribe for 10% of the then enlarged issued share capital of our Company at a subscription price of RMB500,000,000;

(o) a capital increase agreement dated August 10, 2017 entered into among our Company, Greenland Overseas, Deluxe Star and Zhongshan A-Living pursuant to which Greenland Overseas agreed to subscribe for 10% of the then enlarged issued share capital of our Company at a subscription price of RMB500,000,000;

(p) the Deed of Indemnity;

(q) the Deed of Non-Competition; and

(r) the Hong Kong Underwriting Agreement.

2. Intellectual property rights of our Group

As of the Latest Practicable Date, our Group was the registered proprietor of the following trademarks which, in the opinion of our Directors, are material to our business:

Trademark	Registration Number	Class	Name of Registered Proprietor	Place of Registration	Date of Registration	Expiry Date
雅生活	17986507	3, 9, 11, 18, 19, 20, 24, 25, 26, 35, 36, 37, 38, 39, 41, 42, 43, 44, 45	Our Company	PRC	January 21, 2017	January 20, 2027
G+生活	17986712	39	Our Company	PRC	January 21, 2017	January 20, 2027
HARROGATE	9298748	35	Our Company	PRC	November 28, 2012	November 27, 2022
雅 莱 格 HARROGATE	9298731	35	Our Company	PRC	May 21, 2012	May 20, 2022
格 莱 雅	9298668	36	Our Company	PRC	April 14, 2012	April 13, 2022
	9298647	36	Our Company	PRC	August 7, 2012	August 6, 2022
HARROGATE	9298623	36	Our Company	PRC	July 28, 2012	July 27, 2022
雅 莱 格 HARROGATE	9298609	36	Our Company	PRC	July 28, 2012	July 27, 2022
雅 莱 格	9298569	36	Our Company	PRC	April 14, 2012	April 13, 2022

As of the Latest Practicable Date, our Group was granted a license to the use of the following trademark:

Trademark	Registration Number	Class	Name of Registered Proprietor	Place of Registration	Date of Registration	Expiry Date
A AGILE 雅居乐 B AGILE 雅居乐	303940830	2, 3, 4, 11, 16, 17, 19, 20, 21, 24, 25, 26, 27, 28, 35, 36, 37, 38, 39, 41, 43, 44	Stand Power Investments Limited	Hong Kong	October 25, 2016	October 24, 2026
绿地	3372987	36	Greenland Holdings	PRC	September 21, 2004	September 20, 2024

As of the Latest Practicable Date, our Group was the registered proprietor of the following domain name:

Doman Name	Name of Registered Proprietor	Date of Registration	Expiry Date
ldjt-wy.com	Greenland Property Services	July 17, 2014	July 17, 2024
agileliving.com.cn	Guangzhou Yatian	November 11, 2015	November 11, 2018
agilelife.com.cn	Guangzhou Yatian	September 30, 2015	September 30, 2018
4006983383.com	Guangzhou Yatian	August 17, 2015	August 17, 2018
4006983383.com.cn . . .	Guangzhou Yatian	August 17, 2015	August 17, 2018
4006983383.cn	Guangzhou Yatian	August 17, 2015	August 17, 2018
4000003388.cn	Guangzhou Yatian	August 21, 2015	August 21, 2018
4000003383.com.cn . . .	Guangzhou Yatian	August 21, 2015	August 21, 2018
4000003388.com	Guangzhou Yatian	August 21, 2015	August 21, 2018
4000203383.cn	Guangzhou Yatian	August 17, 2015	August 17, 2018
4000203383.com.cn . . .	Guangzhou Yatian	August 17, 2015	August 17, 2018
4000203383.com	Guangzhou Yatian	August 17, 2015	August 17, 2018
agilelife.cn	Guangzhou Yatian	September 23, 2015	September 23, 2018
agilelife.hk	Guangzhou Yatian	September 30, 2015	September 30, 2019
agileliving.cn	Guangzhou Yatian	November 11, 2015	November 11, 2018
agileliving.hk	Guangzhou Yatian	November 11, 2015	November 11, 2017
ghomelife.cn	Guangzhou Yatian	August 17, 2015	August 17, 2018
ghomelife.com.cn	Guangzhou Yatian	August 17, 2015	August 17, 2018
ghomelife.com	Guangzhou Yatian	August 17, 2015	August 17, 2018
yashenghuo.cn	Guangzhou Yatian	September 29, 2015	September 29, 2018
yashenghuo.hk	Guangzhou Yatian	September 30, 2015	September 30, 2019

C. FURTHER INFORMATION ABOUT OUR DIRECTORS, SUPERVISORS AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of interests

(a) Interests and short positions of the Directors, Supervisors and the chief executive of our Company in the registered capital of our Company and its associated corporations

Immediately following the completion of the Global Offering and assuming that the Over-Allotment Option is not exercised, the interests or short positions of Directors, Supervisors or chief executive of our Company in the Shares, underlying Shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required, under Section 352 of the SFO, to be entered in the register referred to in that section, or which will be required, under the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "**Model Code**"), to be notified to our Company once the H Shares are listed will be as follows:

Interest in Shares of our Company

			Shares held as of the Latest Practicable Date and immediately prior to the Global Offering(1)		Shares held in the relevant class of Shares immediately following the completion of the Global Offering(1)		Shares held in the total share capital of the Company immediately following the completion of the Global Offering(1)	
Name of Shareholder	**Nature of Interest**	**Classes of Shares(5)**	**Number**	**Percentage (approx.)**	**Number**	**Percentage (approx.)**	**Number**	**Percentage (approx.)**
Mr. Chan Cheuk Hung(2)	Beneficial of a trust	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Mr. Liu Deming(3)	Interest of a controlled corporation	Unlisted Shares	39,920,000 Shares (L)	3.992%	39,920,000 Shares (L)	3.992%	39,920,000 Shares (L)	2.994%
Mr. Feng Xin(4)	Interest of a controlled corporation	Unlisted Shares	20,000,000 Shares (L)	2.00%	20,000,000 Shares (L)	2.00%	20,000,000 Shares (L)	1.50%

Notes:

(1) The letter "L" denotes the person's long position in our Shares.

(2) Mr. Chan Cheuk Hung is the beneficiary of Chen's Family Trust, therefore, Mr. Chan Cheuk Hung is deemed under the SFO to be interested in the Shares held by Chen's Family Trust.

(3) Mr. Liu Deming is entitled to 50% of the interest in Gongqingcheng Investment.

(4) Mr. Feng Xin is entitled to 25% of the interest in Gongqingcheng Investment.

(5) Unlisted Shares include Domestic Shares and Unlisted Foreign Shares.

Interest in associated corporations of our Company

Name	Name of associated corporation	Nature of interest	Interest in shares	Percentage holding
Chan Cheuk Hung	Agile Holdings	Beneficiary of a trust	2,453,096,250	62.63%
Huang Fengchao	Agile Holdings	Beneficial owner	1,400,000	0.04%

(b) Substantial Shareholders

So far as is known to our Directors, immediately following the completion of the Global Offering, the following persons, (not being the Directors, Supervisors or chief executive of our Company) would have or be deemed or taken to have an interest and/or short position in the Shares or the underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, directly or indirectly, interested in 10% or more of the issued voting shares of our Company.

			Shares held as of the Latest Practicable Date and immediately prior to the Global Offering(1)		Shares held in the relevant class of Shares immediately following the completion of the Global Offering(1)		Shares held in the total share capital of the Company immediately following the completion of the Global Offering(1)	
Name of Shareholder	Nature of Interest	Class of Shares(14)	Number	Percentage (approx.)	Number	Percentage (approx.)	Number	Percentage (approx.)
Zhongshan A-Living(2)	Beneficial owner	Unlisted Shares	712,800,000 Shares (L)	71.28%	712,800,000 Shares (L)	79.20%	712,800,000 Shares (L)	53.46%
Deluxe Star(2)	Interest of a controlled corporation/ Beneficial owner	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Makel International(3)	Interest of a controlled corporation	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Genesis Global(4)	Interest of a controlled corporation	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Eastern Supreme(5)	Interest of a controlled corporation	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Agile Holdings(6)(7)	Interest of a controlled corporation	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Full Choice Investments Limited(8)	Trustee of a trust	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Top Coast Investment Limited(9)	Settlor of a trust	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Mr. Chen Zhuo Lin(10)(11)(12)	Beneficial of a trust/ Interest of a controlled corporation/ Spouse	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Mr. Chan Cheuk Yin(10)(13)	Beneficial of a trust/ Interest of a controlled corporation	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Ms. Luk Sin Fong, Fion(10)(11)	Beneficial of a trust/ Interest of a controlled corporation/ Spouse	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Mr. Chan Cheuk Hei(10)	Beneficial of a trust/ Beneficial owner	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%

Name of Shareholder	Nature of Interest	Class of Shares[14]	Shares held as of the Latest Practicable Date and immediately prior to the Global Offering[1] Number	Percentage (approx.)	Shares held in the relevant class of Shares immediately following the completion of the Global Offering[1] Number	Percentage (approx.)	Shares held in the total share capital of the Company immediately following the completion of the Global Offering[1] Number	Percentage (approx.)
Mr. Chan Cheuk Nam[10]	Beneficial of a trust/ Beneficial owner	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Ms. Zheng Huiqiong[15]	Spouse	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Ms. Lu Liqing[16]	Spouse	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Ms. Lu Yanping[17]	Spouse	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Ms. Chan Siu Na[18]	Spouse	Unlisted Shares	720,000,000 Shares (L)	72.00%	720,000,000 Shares (L)	80.00%	720,000,000 Shares (L)	54.00%
Ningbo Lvjin	Beneficial owner	Unlisted shares	100,000,000 Shares	10.00%	100,000,000 Shares	11.11%	100,000,000 Shares	7.50%
Greenland Overseas	Beneficial owner	H shares	100,000,000 Shares	10.00%	100,000,000 Shares	23.08%	100,000,000 Shares	7.50%
Greenland Financial Holdings Group Co., Ltd. (綠地金融投資控股集團有限公司)[19]	Interest of a controlled corporation	Unlisted shares	100,000,000 Shares	10.00%	100,000,000 Shares	11.11%	100,000,000 Shares	7.50%
	Interest of a controlled corporation	H shares	100,000,000 Shares	10.00%	100,000,000 Shares	23.08%	100,000,000 Shares	7.50%
Greenland Holding Group[20]	Interest of a controlled corporation	Unlisted shares	100,000,000 Shares	10.00%	100,000,000 Shares	11.11%	100,000,000 Shares	7.50%
	Interest of a controlled corporation	H shares	100,000,000 Shares	10.00%	100,000,000 Shares	23.08%	100,000,000 Shares	7.50%
Greenland Holdings[21]	Interest of a controlled corporation	Unlisted shares	100,000,000 Shares	10.00%	100,000,000 Shares	11.11%	100,000,000 Shares	7.50%
	Interest of a controlled corporation	H shares	100,000,000 Shares	10.00%	100,000,000 Shares	23.08%	100,000,000 Shares	7.50%
Gongqingcheng Investment	Beneficial owner	Unlisted shares	80,000,000 Shares	8.00%	80,000,000 Shares	8.89%	80,000,000 Shares	6.00%
Gongqingcheng Yagao Investment Management Co., Ltd.[22]	Interest of a controlled corporation	Unlisted shares	80,000,000 Shares	8.00%	80,000,000 Shares	8.89%	80,000,000 Shares	6.00%
Mr. Pan Zhiyong[23]	Interest of a controlled corporation	Unlisted shares	80,000,000 Shares	8.00%	80,000,000 Shares	8.89%	80,000,000 Shares	6.00%

Notes:

(1) The letter "L" denotes the person's long position in our Shares.

(2) Zhongshan A-Living is wholly-owned by Deluxe Star and Deluxe Star is deemed under the SFO to be interested in the Shares held by Zhongshan A-Living.

(3) Deluxe Star is wholly-owned by Makel International and Makel International is deemed under the SFO to be interested in the Shares held by Deluxe Star.

(4) Makel International is wholly-owned by Genesis Global and Genesis Global is deemed under the SFO to be interested in the Shares held by Makel International.

(5) Genesis Global is wholly-owned by Eastern Supreme and Eastern Supreme is deemed under the SFO to be interested in the Shares held by Genesis Global.

(6) Eastern Supreme is wholly-owned by Agile Holdings and Agile Holdings is deemed under the SFO to be interested in the Shares held by Eastern Supreme.

(7) Agile Holdings is owned as to 62.63% by Chen's Family Trust, 0.36% by Brilliant Hero Capital Limited and Famous Tone Investments Limited, 0.07% by Supreme Elite Holdings Limited, 0.40% by Renowned Idea Investments Limited, 0.20% by Mr. Chan Cheuk Hei and his spouse Ms. Lu Yanping, 0.17% by Chan Cheuk Nam and his spouse Ms. Chan Siu Na and 36.17% by other shareholders.

(8) Full Choice Investments Limited is the trustee of Chen's Family Trust, therefore, Full Choice Investments Limited is deemed under the SFO to be interested in the Shares held by Chen's Family Trust.

(9) Top Coast Investment Limited is the settlor of Chen's Family Trust, therefore, Top Coast Investment Limited is deemed under the SFO to be interested in the Shares held by Chen's Family Trust.

(10) Each of Mr. Chen Zhuo Lin, Mr. Chan Cheuk Yin, Ms. Luk Sin Fong, Fion, Mr. Chan Cheuk Hung, Mr. Chan Cheuk Hei and Mr. Chan Cheuk Nam is the beneficiary of Chen's Family Trust, therefore, Mr. Chen Zhuo Lin, Mr. Chan Cheuk Yin, Ms. Luk Sin Fong, Fion, Mr. Chan Cheuk Hung, Mr. Chan Cheuk Hei and Mr. Chan Cheuk Nam are deemed under the SFO to be interested in the Shares held by Chen's Family Trust.

(11) Brilliant Hero Capital Limited and Famous Tone Investments Limited are jointly controlled by Mr. Chen Zhuo Lin and Ms. Luk Sin Fong, Fion, Mr. Chen Zhuo Lin and Ms. Luk Sin Fong, Fion are deemed under the SFO to be interested in the Shares held by Brilliant Hero Capital Limited and Famous Tone Investments Limited.

(12) Supreme Elite Holdings Limited, Star Noble Global Limited and Dragon Treasure Global Limited are wholly-owned by Mr. Chen Zhuo Lin and Mr. Chen Zhuo Lin is deemed under the SFO to be interested in the Shares held by Supreme Elite Holdings Limited, Star Noble Global Limited and Dragon Treasure Global Limited.

(13) Renowned Idea Investments Limited is wholly-owned by Mr. Chan Cheuk Yin, and Mr. Chan Cheuk Yin is deemed under the SFO to be interested in the Shares held by Renowned Idea Investments Limited.

(14) Unlisted Shares include Domestic Shares and Unlisted Foreign Shares.

(15) By virtue of the SFO, Ms. Zheng Huiqiong is deemed to be interested in the Shares held by her spouse, Mr. Chan Cheuk Yin.

(16) By virtue of the SFO, Ms. Lu Liqing is deemed to be interested in the Shares held by her spouse, Mr. Chan Cheuk Hung.

(17) By virtue of the SFO, Ms. Lu Yanping is deemed to be interested in the Shares held by her spouse, Mr. Chan Cheuk Hei.

(18) By virtue of the SFO, Ms. Chan Siu Na is deemed to be interested in the Shares held by her spouse, Mr. Chan Cheuk Nam.

(19) Ningbo Lvjin and Greenland Overseas are wholly-owned by Greenland Financial Holdings Group Co., Ltd., and Greenland Financial Holdings Group Co., Ltd. is deemed under the SFO to be interested in the Shares held by Ningbo Lvjin and Greenland Overseas.

(20) Greenland Financial Holdings Group Co., Ltd. is wholly owned by Greenland Holding Group and Greenland Holding Group is deemed to be interested in the Shares held by Greenland Financial Holdings Group Co., Ltd.

(21) Greenland Holding Group is wholly-owned by Greenland Holdings, and Greenland Holdings is deemed under the SFO to be interested in the Shares held by Greenland Holding Group.

(22) Gongqingcheng Yagao Investment Management Co., Ltd. is a general partner of and has full control over Gongqingcheng Investment. Gongqingcheng Yagao Investment Management Co., Ltd. is deemed to be interested in the Shares held by Gongqingcheng Investment.

(23) Gongqingcheng Yagao Investment Management Co., Ltd. is wholly-owned by Mr. Pan Zhiyong, and Mr. Pan Zhiyong is a senior management member of Agile Holdings. Mr. Pan Zhiyong is deemed under the SFO to be interested in the Shares held by Gongqingcheng Yagao Investment Management Co., Ltd.

2. Further information about our Directors and Supervisors

(a) Particulars of Directors' and Supervisors' service contracts

Each of the Directors and Supervisors entered into a service contract with our Company. The principal particulars of these service contracts comprise (a) the term of the service; (b) subject to termination in accordance with their respective term; and (c) an arbitration provision. The service contracts may be renewed in accordance with our Articles of Association and the applicable laws, rules and regulations.

Save as disclosed above, none of the Directors or Supervisors has or is proposed to have a service contract with any member of our Group (other than contracts expiring or determinable by the relevant employer within one year without the payment of compensation (other than statutory compensation)).

(b) Others

(i) None of the Directors, Supervisors, or any past Directors of any members of our Group has been paid any sum of money for the year ended December 31, 2014, 2015 and 2016 and the nine months ended September 30, 2017 (i) as an inducement to join or upon joining our Company or (ii) for loss of office as a director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group.

(ii) There has been no arrangement under which a Director or Supervisor has waived or agreed to waive any remuneration or benefits in kind for the year ended December 31, 2014, 2015 and 2016 and the nine months ended September 30, 2017.

(iii) None of the Directors or Supervisors has been or is interested in the promotion of, or in the property proposed to be acquired by, our Company, and no sum has been paid or agreed to be paid to any of them in cash or shares or otherwise by any person either to induce him to become, or to qualify him as, a Director or a Supervisor, or otherwise for services rendered by him in connection with the promotion or formation of our Company.

3. Agency fees or commissions received

Save as disclosed in this prospectus, none of the Directors, Supervisors or any of the persons whose names are listed under "—Other Information—Consents of Experts" in this Appendix had received any commissions, discounts, agency fee, brokerages or other special terms in connection with the issue or sale of any capital of any member of our Group within the two years immediately preceding the date of this prospectus.

4. Directors' and Supervisors' remuneration

For the year ended December 31, 2014, 2015 and 2016 and nine months ended September 30, 2017, the aggregate amount of salaries, allowances, discretionary bonus, pension-defined contribution plans and other benefits in kind (if applicable) granted by us to our Directors and Supervisors were approximately RMB1.3 million, RMB1.3 million, RMB3.7 million and RMB4.4 million, respectively.

Under the current arrangements, our Directors and Supervisors were entitled to receive compensation (including remuneration and benefits in kind) from our Company for the year ended December 31, 2017 under arrangement in force as of the date of this prospectus which was approximately RMB5.9 million in aggregate.

5. Disclaimers

Save as disclosed in this prospectus:

(i) none of the Directors, Supervisors or chief executive of our Company has any interest or short positions in the Shares, underlying Shares or debentures of our Company or any associated corporation (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered into the register referred to in that section, or which will be required to be notified to us and the Stock Exchange pursuant to the Model Code, in each case once our H Shares are listed;

(ii) none of our Directors or Supervisors nor any of the parties listed in "Other Information—Consents of Experts" in this Appendix has any direct or indirect interest in the promotion of our Company, or in any assets which within the two years immediately preceding the date of this prospectus, have been acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;

(iii) none of our Directors or Supervisors is a director or employee of a company which is expected to have an interest in the Shares falling to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO once the H Shares are listed on the Stock Exchange;

(iv) none of our Directors or Supervisors nor any of the parties listed in "Other Information—Consents of Experts" in this Appendix, is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group taken as a whole;

(v) save for the Underwriting Agreements, none of the parties listed in "—Other Information—Consents of Experts" in this Appendix:

    (i) is interested legally or beneficially in any of our Shares or any shares of any of our subsidiaries; or

(ii) has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe securities in any member of our Group;

(vi) so far as is known to our Directors as of the Latest Practicable Date, none of the Directors, Supervisors, their respective associates or Shareholders of our Company (who is interested in more than 5% of the issued share capital of our Company) has any interests in any of our top five suppliers and top five customers; and

(vii) none of the Directors is interested in any business (other than the business of our Group) which competes or is likely to compete, directly or indirectly, with our business.

D. OTHER INFORMATION

1. Estate duty

We have been advised that no material liability for estate duty under PRC law is likely to fall upon us.

2. Tax and Other Indemnities

Our Controlling Shareholders have entered into a deed of indemnity with and in favor of each member of our Company (being the contract referred to in paragraph (l) of "B. Further Information about our Business—1. Summary of material contracts" above) to provide indemnities on a joint and several basis in respect of, among other matters, (i) taxation resulting from income, profits or gains earned, accrued or received; (ii) any taxation claims, penalties or other indebtedness resulting from any breach of laws, rules and regulations by any Group member; and (iii) any costs, expenses and damages payable resulting from any litigation, arbitration or disputes ("**Disputes**") including full indemnity at all times for any losses, decrease in assets, loss of business or increase in indebtedness due directly or indirectly to any disputes, to which any member of our Group may be subject and payable, on or before the date when the Global Offering becomes unconditional.

3. Litigation

Save as disclosed in this prospectus, we are not aware of any material legal proceedings, claims or disputes currently existing or pending against us, and no litigation, arbitration or claim of material importance is known to our Directors to be pending or threatened against us that may have a material adverse effect on our business, financial position or results of operations.

4. Joint Sponsors

The Joint Sponsors have applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, (i) our H Shares to be issued pursuant to the Global Offering (including the additional H Shares which may be issued pursuant to the exercise of the Over-allotment Option); and (ii) any H Shares to be converted from Unlisted Foreign Shares held by Greenland Overseas.

Each of the Joint Sponsors satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules.

The Joint Sponsors will receive an aggregate fee of US$0.6 million for acting as the Joint Sponsors for the Listing.

5. Preliminary expenses

Our Company has not incurred any preliminary expenses.

6. Promoters

The promoters of our Company are Zhongshan A-Living and Deluxe Star.

Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoters in connection with the Global Offering and the related transactions described in this prospectus.

7. Qualification of experts

The following are the qualifications of the experts who have given opinion or advice which are contained in this prospectus:

Name	Qualifications
HSBC Corporate Finance (Hong Kong) Limited	Licensed under the SFO to conduct type 6 (advising on corporate finance) regulated activities as defined under the SFO
Huatai Financial Holdings (Hong Kong) Limited	Licensed under the SFO to conduct type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities as defined under the SFO
PricewaterhouseCoopers	Certified Public Accountants
King & Wood Mallesons	PRC Legal Advisor to our Company
China Index Academy	Industry consultant
Shanghai iResearch Co., Ltd., China	Industry consultant
藍策 (北京) 資產評估有限公司 (Lan Ce Beijing Appraisal Co. Ltd.*)	Independent Valuer

* *For identification only*

8. Consents of experts

Each of the experts named in paragraph 7 of this Appendix has given and has not withdrawn its respective written consent to the issue of this prospectus with the inclusion of its report and/or letter and/or opinion and/or the references to its name included in this prospectus the form and context in which it is respectively included.

9. Interests of experts in our Company

None of the persons named in paragraph 7 of this Appendix is interested beneficially or otherwise in any Shares or shares of any member of our Group or has any right or option (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for any shares or securities in any member of our Group.

10. Compliance advisor

The Company has appointed Ballas Capital Limited as our compliance advisor in compliance with Rule 3A.19 of the Listing Rules.

11. Taxation of holders of H Shares

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty. The current rate chargeable on each of the seller and purchaser is HK$1.00 for every HK$1,000 (or part thereof) of the consideration or, if higher, the fair value of the H Shares being sold or transferred.

12. Binding effect

This prospectus shall have the effect, if an application is made in pursuance of this prospectus, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance insofar as applicable.

13. No material adverse change

Our Directors confirm that, up to the Latest Practicable Date, there had been no material adverse change in our financial or trading position or prospects since September 30, 2017 (being the date to which the latest audited financial information of the Company were made up).

14. Miscellaneous

(a) Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus:

(i) no share or loan capital of our Company or any of our subsidiaries has been issued or agreed to be issued or is proposed to be fully or partly paid either for cash or a consideration other than cash;

(ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

(iii) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries; and

(iv) no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in our Company or any of our subsidiaries.

(b) Our Directors confirm that:

(i) Save as disclosed in this prospectus, there has been no material adverse change in the financial or trading position or prospects of our Group since September 30, 2017 (being the date to which the latest audited consolidated financial statements of our Group were prepared); and

(ii) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this prospectus.

(c) Save as disclosed in the prospectus, there are no founder, management or deferred shares nor any debentures in our Company or any of our subsidiaries.

(d) All necessary arrangements have been made to enable our H Shares to be admitted into CCASS for clearing and settlement.

(e) No company within our Group is presently listed on any stock exchange or traded on any trading system.

(f) Save as disclosed in the prospectus, our Company has no outstanding convertible debt securities or debentures.

(g) there is no arrangement under which future dividends are waived or agreed to be waived;

(h) none of the equity and debt securities of our Company, if any, is listed or dealt with in any other stock exchange nor is any listing or permission to deal being or proposed to be sought;

(i) there is no subsidiary in our Group which is a sino-foreign equity joint venture or which operates as or under a cooperative or contractual joint venture; and

(j) we currently do not intend to apply for the status of a sino-foreign investment joint stock limited company and do not expect to be subject to the PRC Sino-Foreign Joint Venture Law.

15. Bilingual prospectus

The English and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption from Companies and prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

The documents attached to the copy of this prospectus delivered to the Registrar of Companies in Hong Kong for registration were:

(a) a copy of each of the Application Forms;

(b) the written consents referred to in "Statutory and General Information—Other Information—Consents of experts" in Appendix VII to this prospectus; and

(c) a copy of each of the material contracts referred to in "Statutory and General Information—Further Information About Our Business—Summary of material contracts" in Appendix VII to this prospectus.

Copies of the following documents will be available for inspection at the offices of Sidley Austin at 39/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong during normal business hours from 9:30 a.m. to 5:30 p.m. up to and including the date which is 14 days from the date of this prospectus:

(a) the Articles of Association;

(b) the Accountant's Report from PricewaterhouseCoopers, the text of which is set out in Appendix I to this prospectus;

(c) the report from PricewaterhouseCoopers in respect of the unaudited pro forma financial information, the text of which is set out in Appendix II to this prospectus;

(d) the letters from PricewaterhouseCoopers and the Joint Sponsors relating to the profit estimate, the texts of which are set out in Appendix III to this prospectus;

(e) the audited consolidated financial statements of our Group for the three years ended December 31, 2014, 2015 and 2016 and the nine months ended September 30, 2017;

(f) the material contracts referred to in "Statutory and General Information—Further Information about Our Business—Summary of material contracts" in Appendix VII to this prospectus;

(g) the service contracts referred to in "Statutory and General Information—Further Information about Our Directors, Supervisors and Substantial Shareholders—Further information about our Directors and Supervisors—Particulars of Directors' and Supervisors' service contracts" in Appendix VII to this prospectus;

(h) the legal opinions issued by King & Wood Mallesons, our PRC Legal Advisor in respect of our Group's business operations and property interests in the PRC;

(i) the written consents referred to in "Statutory and General Information—Other Information—Consents of experts" in Appendix VII to this prospectus;

(j) the letter on the valuation of the goodwill of our Company and other intangible assets issued by ValueLink in relation to the acquisition of Greenland Property Services;

(k) the letter on the forecast assumptions of the value-in-use calculation of Greenland Property Services issued by ValueLink;

(l) the PRC Company Law, the PRC Securities Law, the Mandatory Provisions and the Special Regulations together with their unofficial English translation;

(m) the report issued by CIA; and

(n) the report issued by iResearch.

A-LIVING SERVICES CO., LTD.*

雅居樂雅生活服務股份有限公司