



華潤萬象生活有限公司

China Resources Mixc Lifestyle Services Limited

(Stock Code 股份代號: 01209)

2022
年度業績發佈

ANNUAL RESULTS ANNOUNCEMENT

非凡啟新
爭創一流

EXTRAORDINARY NEW CHAPTER
THRIVING FOR EXCELLENCE

1 *Results Highlights*

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1 Results Highlights



China Resources Tower

Results Highlights

Facing tough market, economic pressure and recurring pandemic, core indicators outperformed and increased during the year.

Revenue

RMB **12.016** billion

YoY +35.4%



Retail Sales of Shopping Malls

RMB **126.4** billion

YoY +6.3%



Total GFA under property management

291 million sq.m.

YoY +87.3%



Core Net Profit

RMB **2.225** billion

YoY +30.7%



NOI Margin of Shopping Malls

59.7%

YoY -1.2 ppt



Newly Acquired Contracted Third-party Areas During the Year

143 million sq.m.

YoY + 297.4 %



Earnings per share

RMB **0.967**

YoY +27.9%



Newly Acquired Third-party Shopping Malls

13

Total GFA of 1.15 million sq.m.



Gross Profit Margin of Basic Properties²

15.3%

YoY +0.3 ppt



Dividend per share for the year¹

RMB **0.439**

YoY +59.1%



Number of Members

34 million

+33.1% as compared to the end of 2021



Revenue from Community Value-added Services

RMB **1.256** billion

YOY +73.3%



¹ Excluding the special dividend in 2022.

² Excluding the amortization of acquired intangible assets.

Note: Unless otherwise specified, the currency unit in this report refers to RMB.

2 Financial Review



Nanjing MIXC WORLD

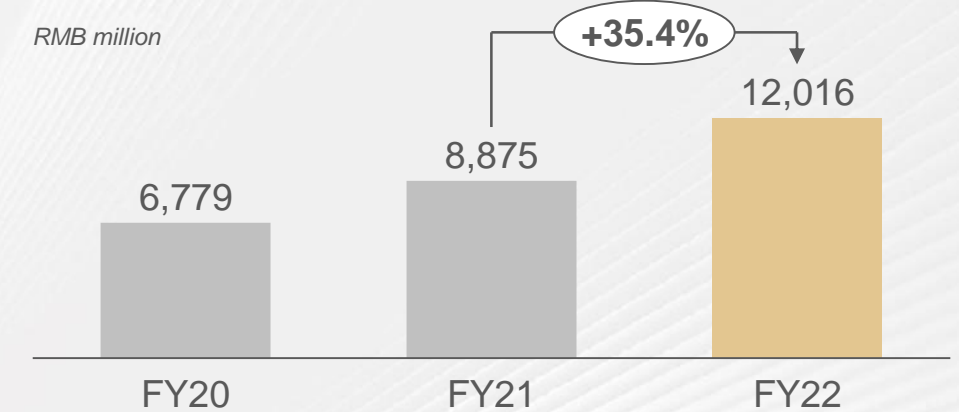
Statement of Profit or Loss

Revenue and core net profit achieved significant growth through seizing the opportunities of M&A, focusing on cost reduction, quality improvement and efficiency enhancement: Total revenue increased by 35.4% YoY to RMB12.016 billion. Core net profit increased significantly by 30.7% to RMB2.225 billion.

RMB' million	FY22	FY21	Change
Revenue	12,016	8,875	35.4%
Property Management Segment	7,802	5,310	46.9%
Commercial Management Segment	4,214	3,565	18.2%
Gross profit	3,611	2,759	30.9%
Property Management Segment	1,473	1,025	43.6%
Commercial Management Segment	2,138	1,733	23.4%
Gross profit margin	30.1%	31.1%	-1.0ppt
Property Management Segment	18.9%	19.3%	-0.4ppt
Commercial Management Segment	50.7%	48.6%	+2.1ppt
Net profit attributable to shareholders	2,206	1,725	27.9%
Core net profit	2,225	1,702	30.7%
Core net profit margin	18.5%	19.2%	-0.7ppt
Earnings per share	0.967	0.756	27.9%
Dividend per share for the year	0.439	0.276	+59.1%

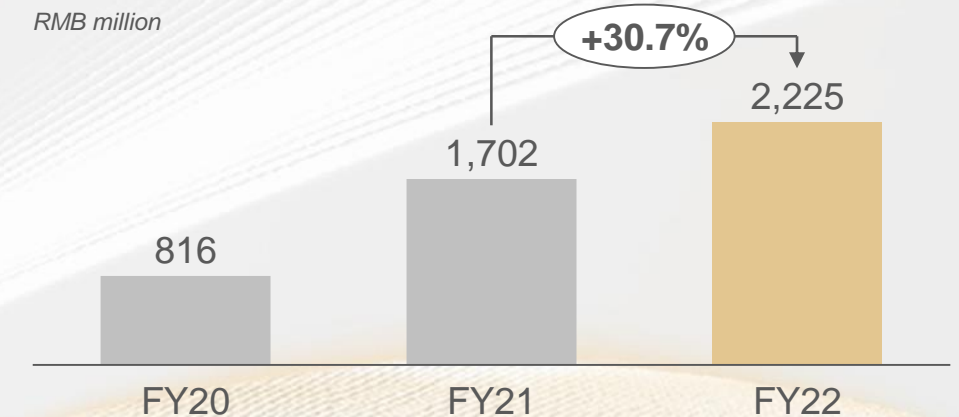
Total revenue

RMB million



Core net profit

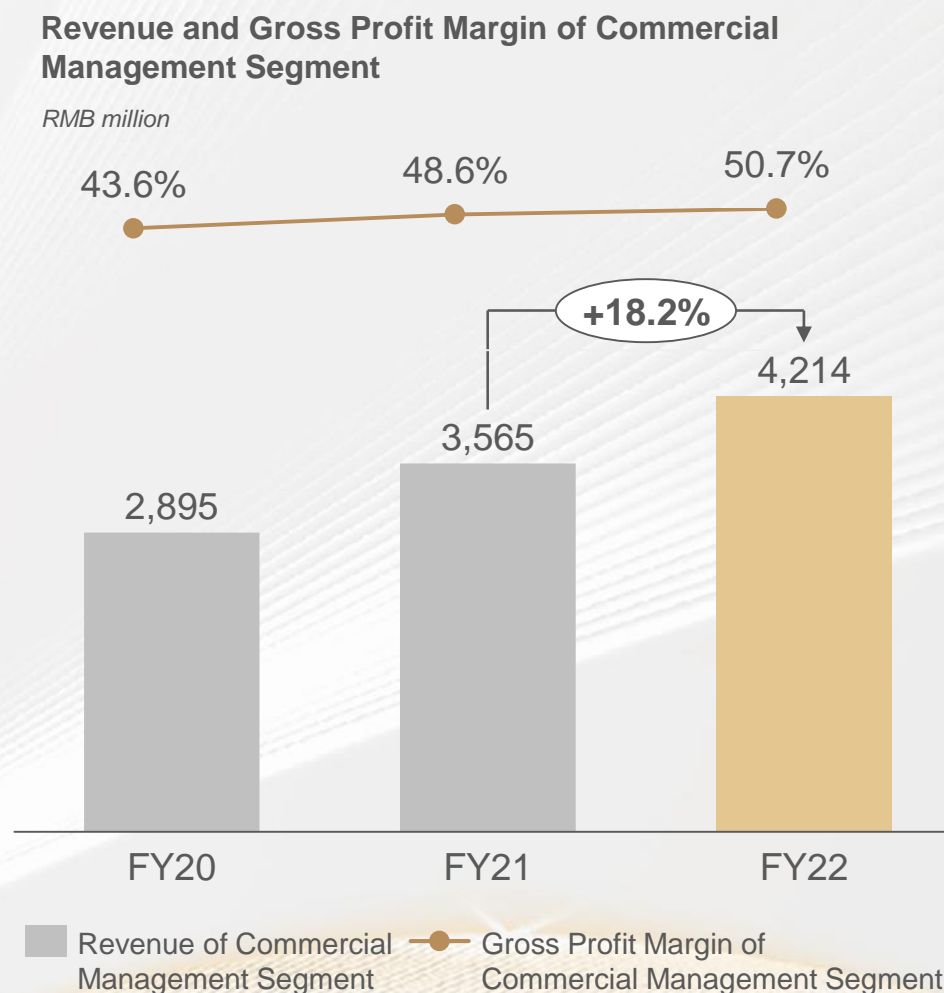
RMB million



Revenue and Gross Profit Margin of Commercial Management Segment

Revenue of commercial management segment grew albeit adverse market condition, and gross profit margin continued to **increase**: Although rental concessions by property owners during the year led to adverse impact in revenue of the segment, the revenue of the segment still increased by 18.2% YoY to RMB4.214 billion, and gross profit margin increased by 2.1 ppt YoY to 50.7%.

RMB' million	FY22	FY21	Change
Revenue - commercial management segment	4,214	3,565	18.2%
Shopping malls	2,482	2,130	16.5%
Shopping Malls - operation	1,660	1,469	13.0%
Shopping Malls - property management	457	292	56.3%
Shopping Malls - sub-leasing	365	369	-1.0%
Office	1,732	1,435	20.7%
Office - operation	127	159	-20.4%
Office - property management	1,605	1,276	25.8%
Gross Profit Margin – commercial management segment	50.7%	48.6%	2.1ppt
Shopping Malls	62.4%	62.4%	0.0ppt
Shopping Malls - operation	64.4%	62.9%	1.5ppt
Shopping Malls - property management	50.4%	47.5%	2.9ppt
Shopping Malls - sub-leasing	68.3%	72.3%	-4.0ppt
Office buildings	34.1%	28.1%	6.0ppt
Office - operation	70.0%	63.1%	6.9ppt
Office -property management	31.2%	23.8%	7.4ppt



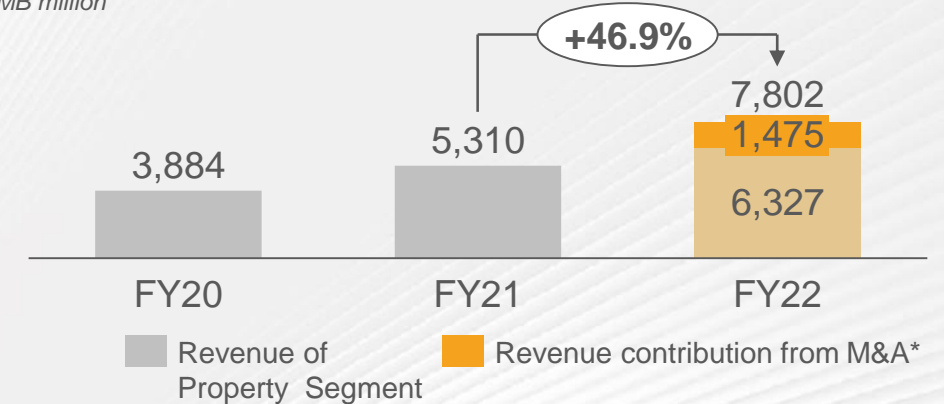
Revenue and Gross Profit Margin of Property Management Segment

Revenue grew significantly driven by the consolidation of financial statements after M&A, the gross profit margin from basic property management services excluding the impact of amortization of acquired intangible assets increased steadily: The revenue from property management segment increased by 46.9% YoY to RMB7.802 billion, of which RMB1.475 billion was contributed by M&A. Gross profit margin of the property management segment decreased slightly by 0.4 ppt YoY to 18.9%, and gross profit margin from basic property services decreased by 1.0 ppt YoY to 14.0%. Excluding the amortization of acquired intangible assets, gross profit margin from basic property services increased by 0.3 ppt YoY to 15.3%.

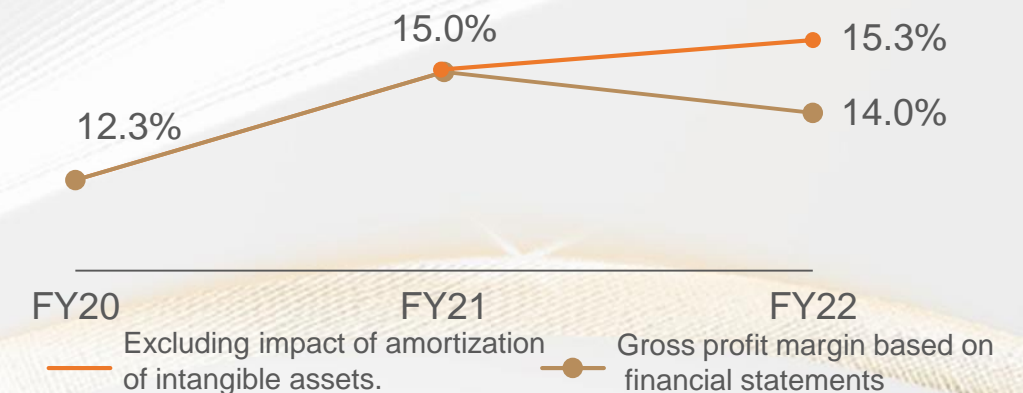
RMB' million	FY22	FY21	Change
Revenue - property management segment	7,802	5,310	46.9%
Basic property service	5,573	3,772	47.7%
Value-added services to non-property owners	973	813	19.7%
Community value-added services	1,256	725	73.3%
Gross Profit Margin - property management segment	18.9%	19.3%	-0.4ppt
Basic property services	14.0%	15.0%	-1.0ppt
Value-added services to non-property owners	36.5%	31.9%	+4.6ppt
Community value-added services	26.6%	27.5%	-0.9ppt

Revenue of property management segment

RMB million



Gross profit margin from basic property services



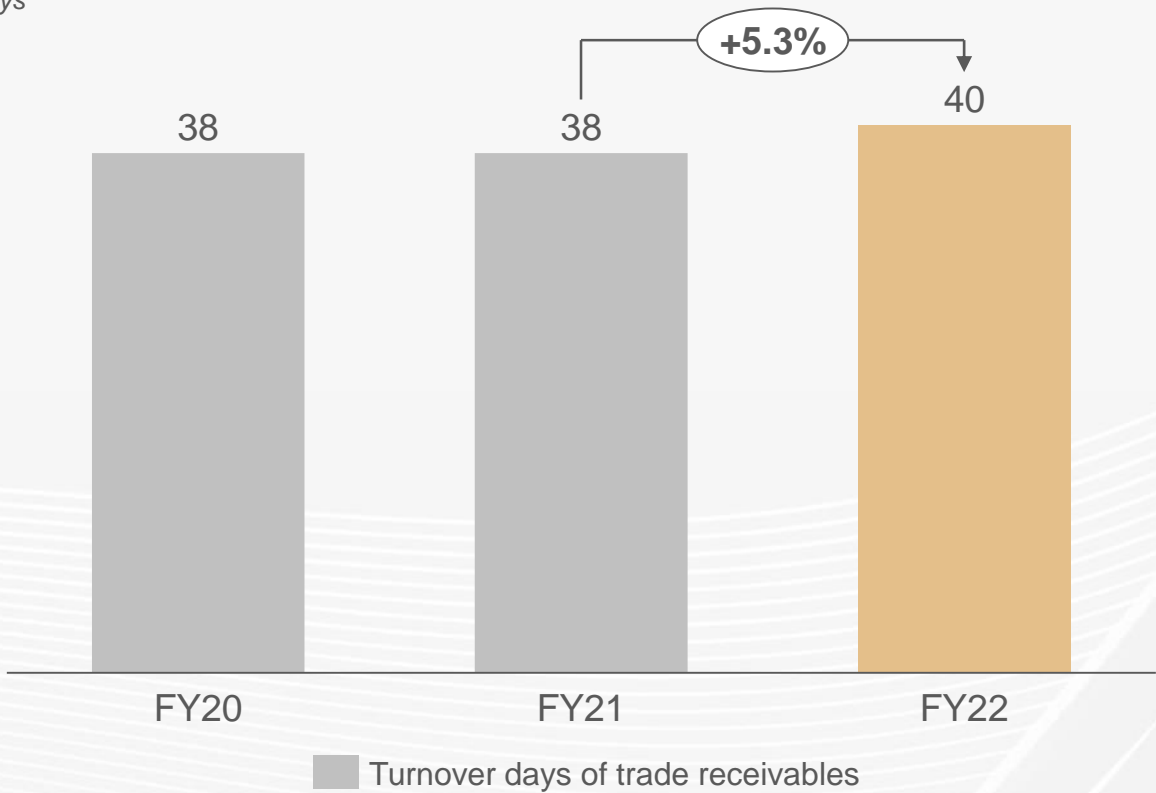
*Note : Refers to the income contribution of the Zhongnan, Yuzhou and Jiuzhou projects. Unless otherwise specified, the M&A mentioned in this report refer to the Zhongnan, Yuzhou and Jiuzhou projects

Trade Receivables and Cash & Cash Equivalents

Turnover of trade receivables was excellent among the industry with sufficient cash on hand: In combination with regular management of annual trade receivables collection and clearing arrears through annual special projects, turnover days of trade receivables during the year was 40, representing a year-on-year increase of 2 days, which was excellent among the industry. Cash on hand exceeded RMB15 billion, laying a solid foundation for the Company’s continuous scale expansion and innovative development.

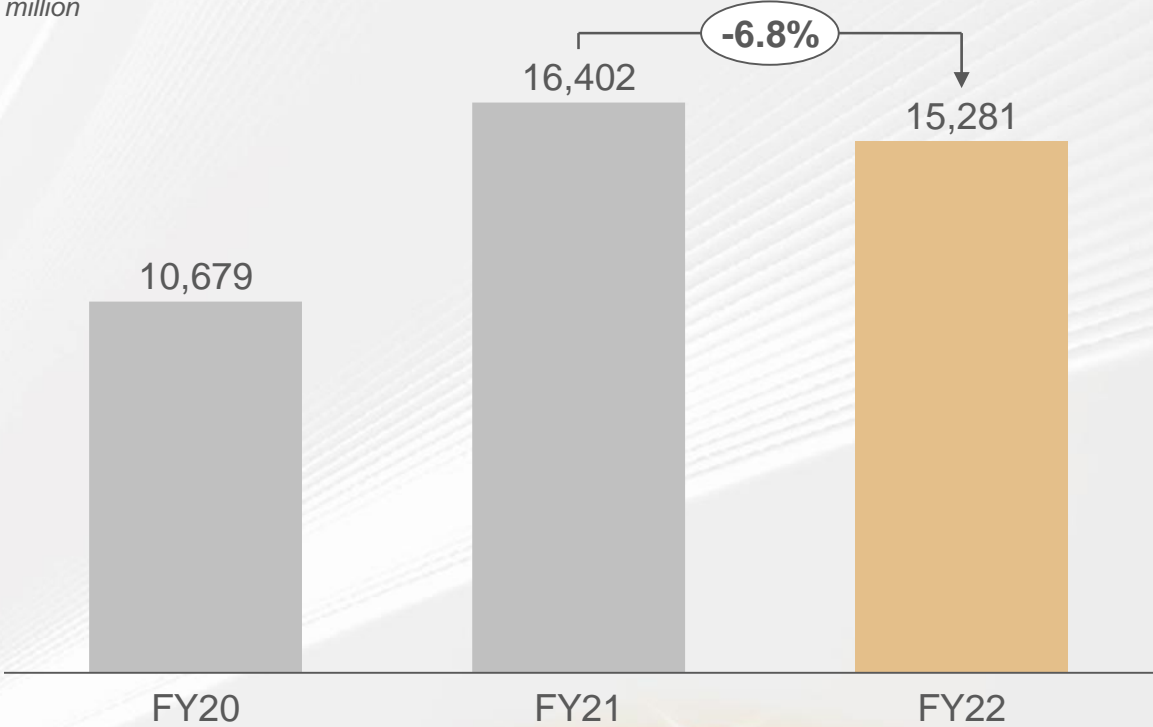
Turnover days of trade receivables

days



Cash & Cash Equivalents

RMB million

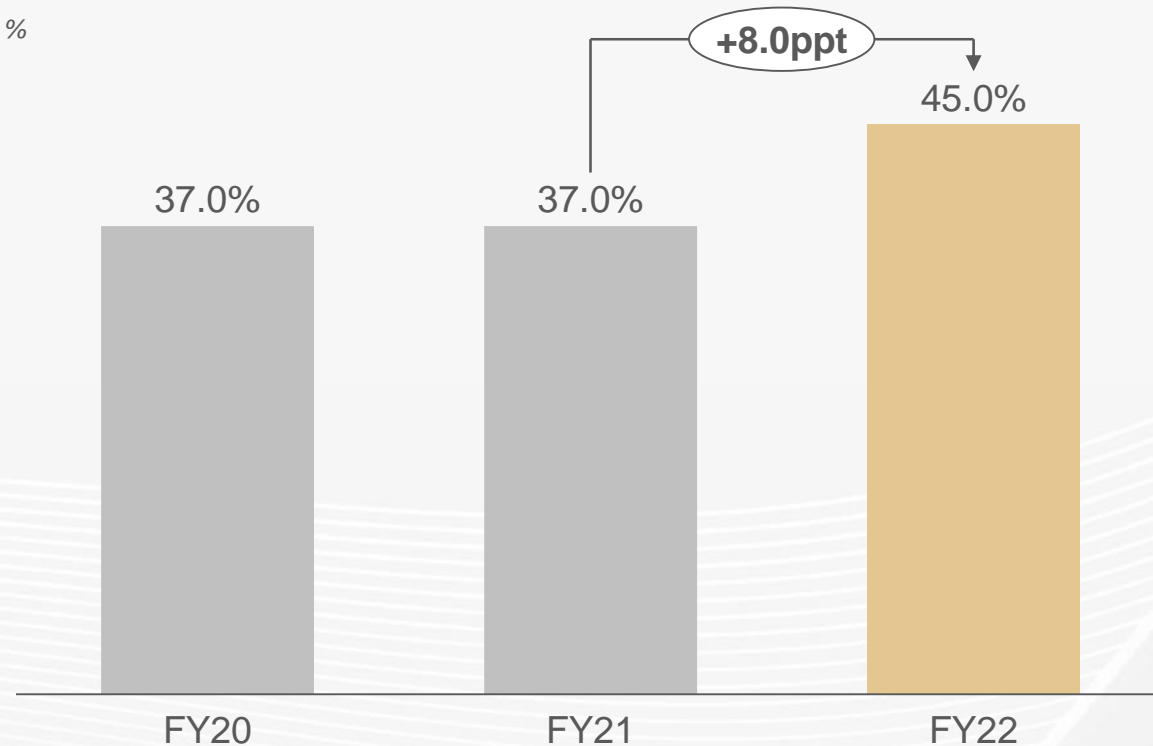


Dividend and Payout Ratio

The annual payout ratio increased to 45%. Shareholders' return increased steadily with the interim dividend for the first time and a special dividend: The Company maintained a stable business model with continuous growth of performance after listing. In order to further enhance shareholders' return, the Company increased the annual payout ratio to 45%. In addition, the Company declared the interim dividend of RMB0.127 per share for the first time in August 2022 and a special dividend of RMB0.364 per share to celebrate of becoming one of blue-chip stocks in December 2022, the second anniversary of listing. Dividend per share for the year amounted to RMB0.803, representing a significant increase of 190.9% YoY.

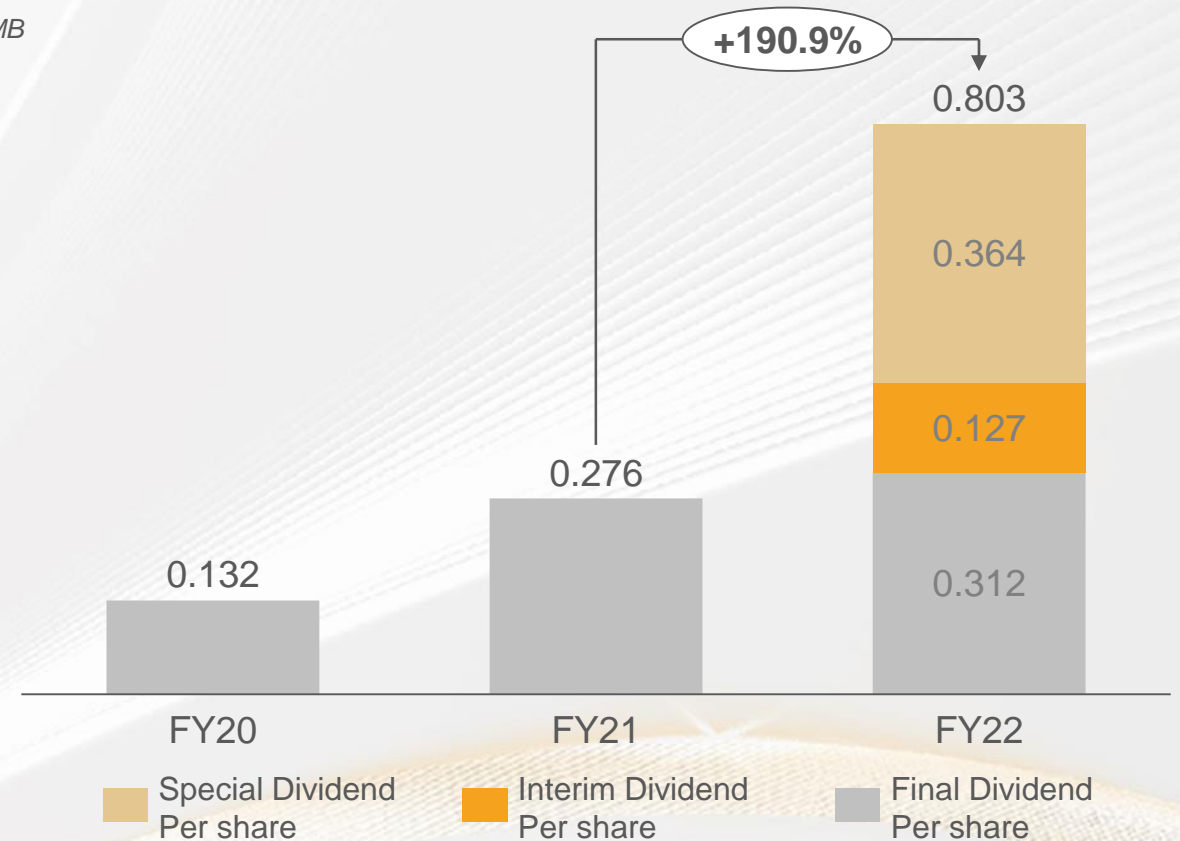
Payout ratio

%



Dividend per share

RMB



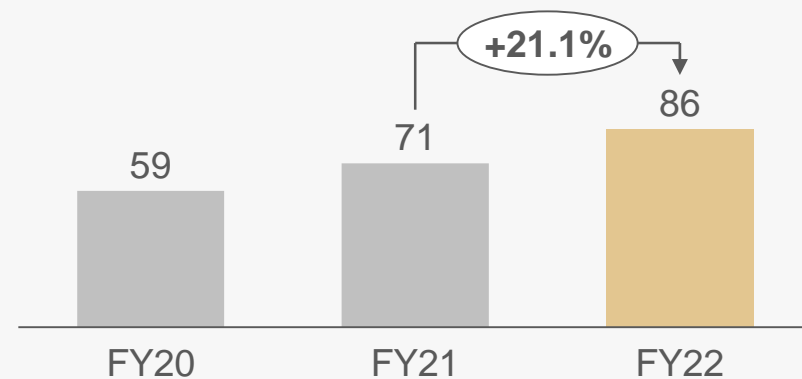
3 Business Review



Commercial Management Business – Shopping Malls

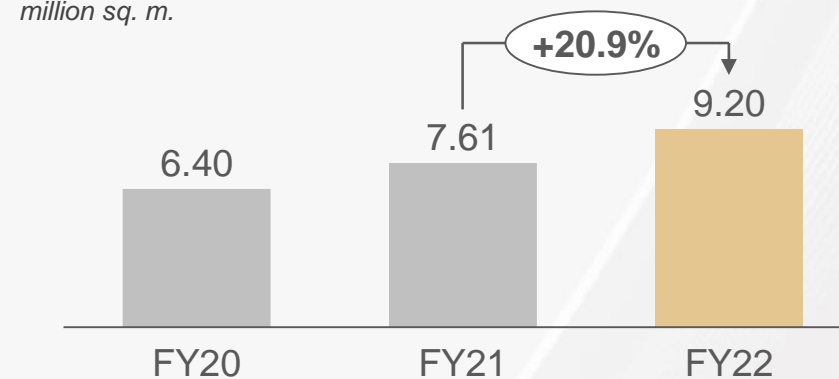
The scale of shopping malls under operation kept improving, and the leading position in the industry was further consolidated: As of the end of 2022, the number of projects under operation increased to 86 and the GFA of these projects reached 9.20 million sq.m.. The 3 new luxury shopping malls that were opened during the year increased the number of luxury shopping malls under operation to 11, ranking first in the industry. The leading edge of business high-end market has been further expanded. Among the projects under management, 69 projects ranked top three in the local market in terms of retail sales, representing 80.2% of total malls in operation

Number of malls under operation

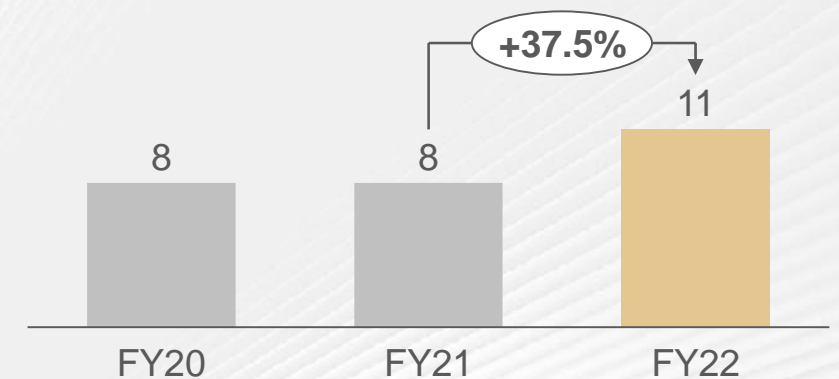


Mall area under operation

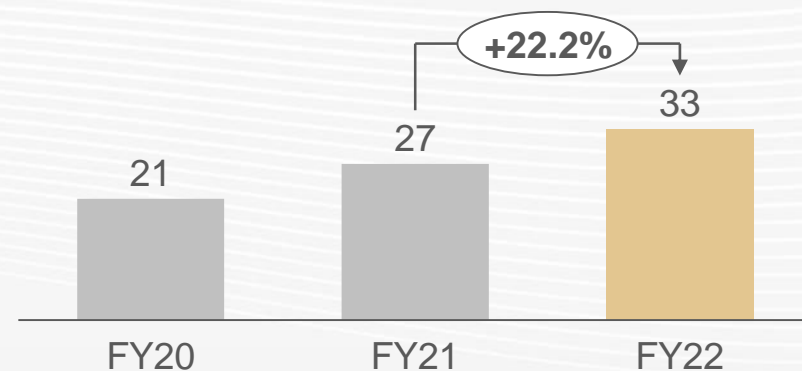
million sq. m.



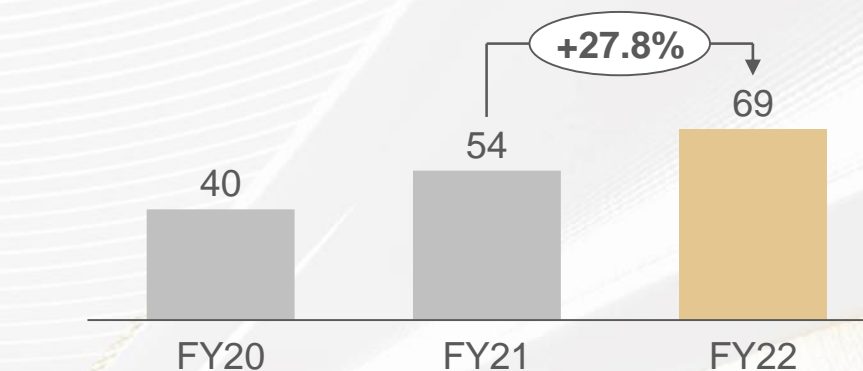
Number of luxury mall



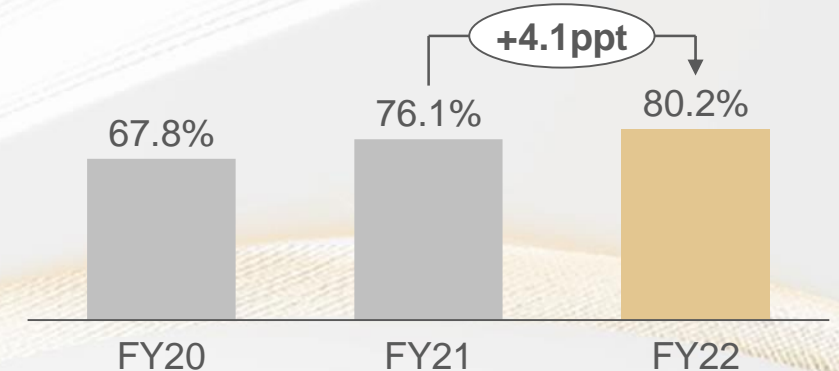
Number of mall ranked first in local market in terms of retail sales



Number of mall ranked top three in local market in terms of retail sales



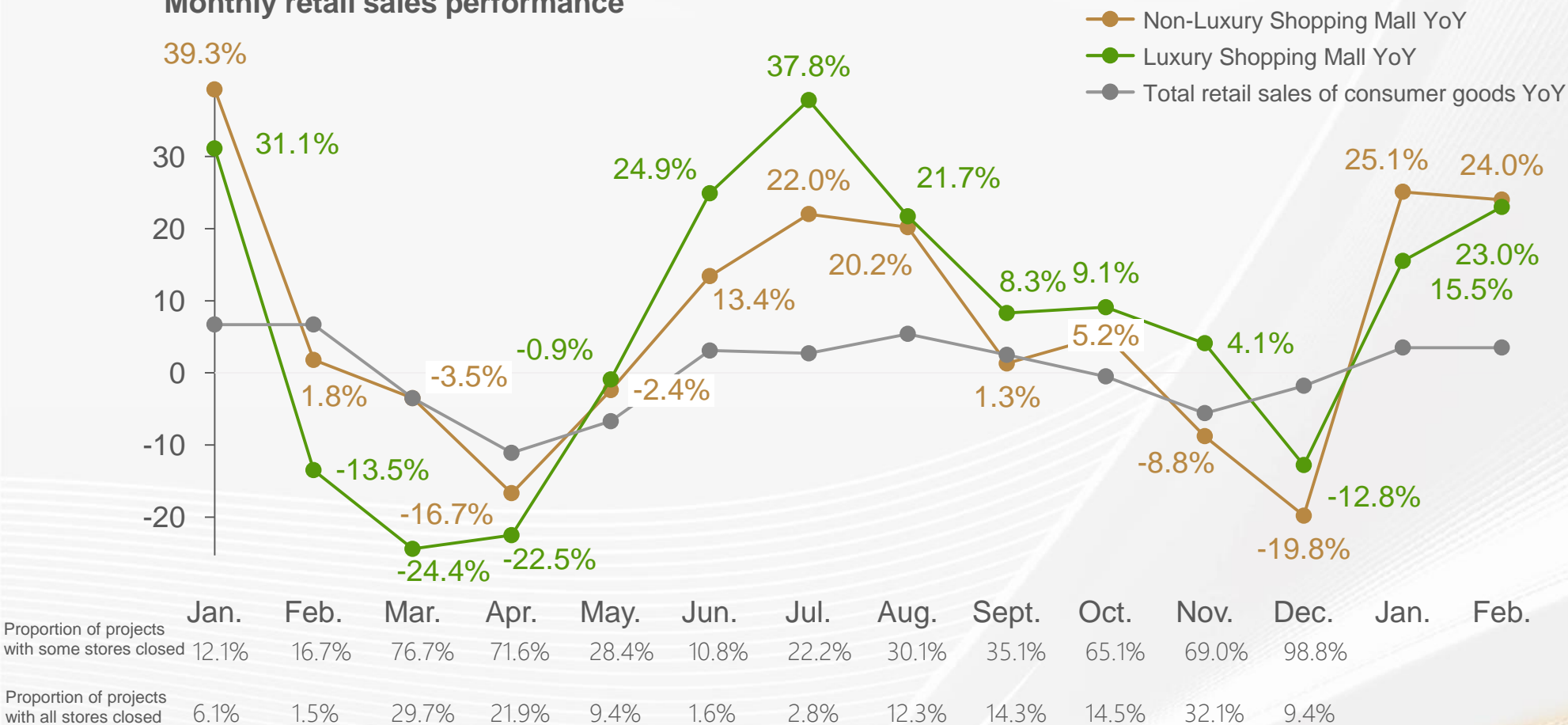
Percentage of the number of mall ranked top three in local market in terms of retail sales



Commercial Management Business – Shopping Malls

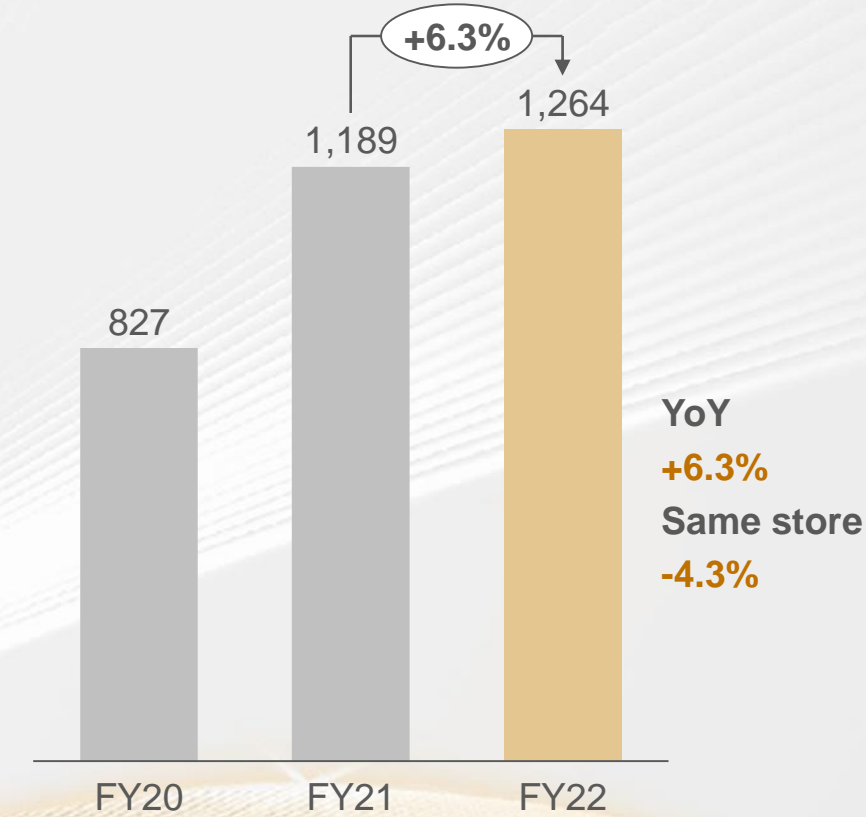
The results of shopping malls demonstrated resilience, retail sales during the year grew albeit adverse market conditions: Amid difficulties caused by pressure on macro-economy, intense market competition and re-emergence of epidemic, the annual retail sales increased by 6.3% YoY to RMB126.4 billion through various measures including “contending for market share, resources and preferential policy”. The performance of shopping malls rebounded rapidly from January to February 2023, and the YoY growth rate of retail sales resumed to a level of above 20%.

Monthly retail sales performance



Retail sales in 2022

RMB100 million



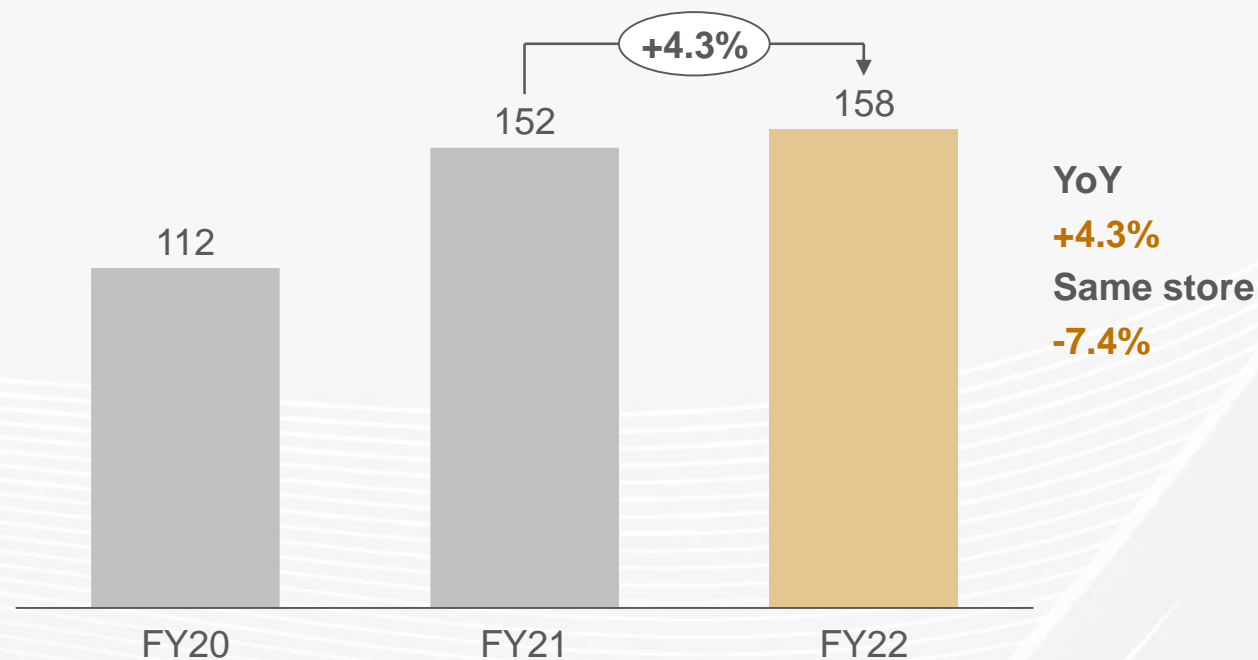
Note: The growth rates of total retail sales of consumer goods for January and February 2022 and January and February 2023 are based on two month combined values.

Commercial Management Business – Shopping Malls

With outstanding lean operation ability, the Company continued to build a win-win ecosystem of “property owners, tenants and business operators” in a difficult market environment: In active response to national calls, the Company adhered to the philosophy of win-win cooperation to overcome difficulties with tenants. Although the rental concession of shopping malls reached RMB2.3 billion during the year, the implementation of lean management of “cost reduction, quality improvement and efficiency enhancement” enabled the rental income of property owners to increase by 4.3% YoY to RMB15.8 billion, while NOI increased by 2.2% YoY to RMB9.5 billion and NOI Margin reached 59.7%.

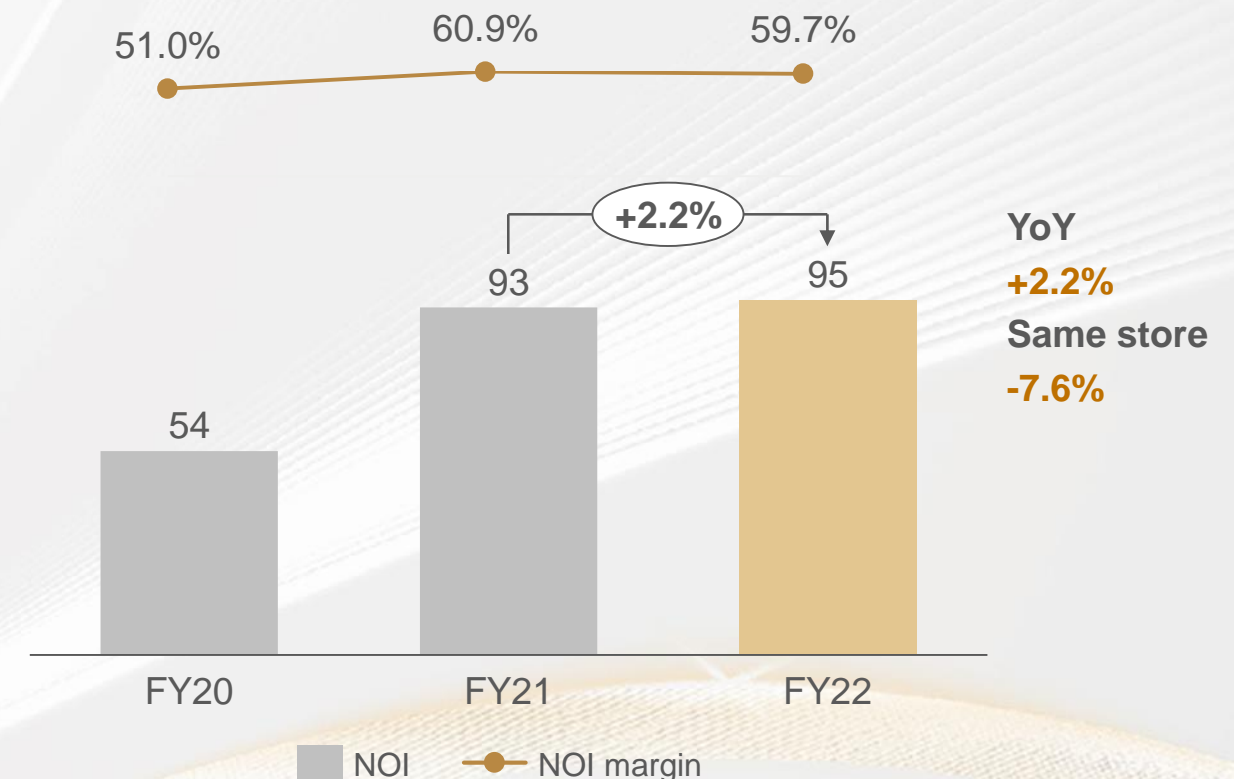
Rental income

RMB 100 million



NOI and NOI Margin

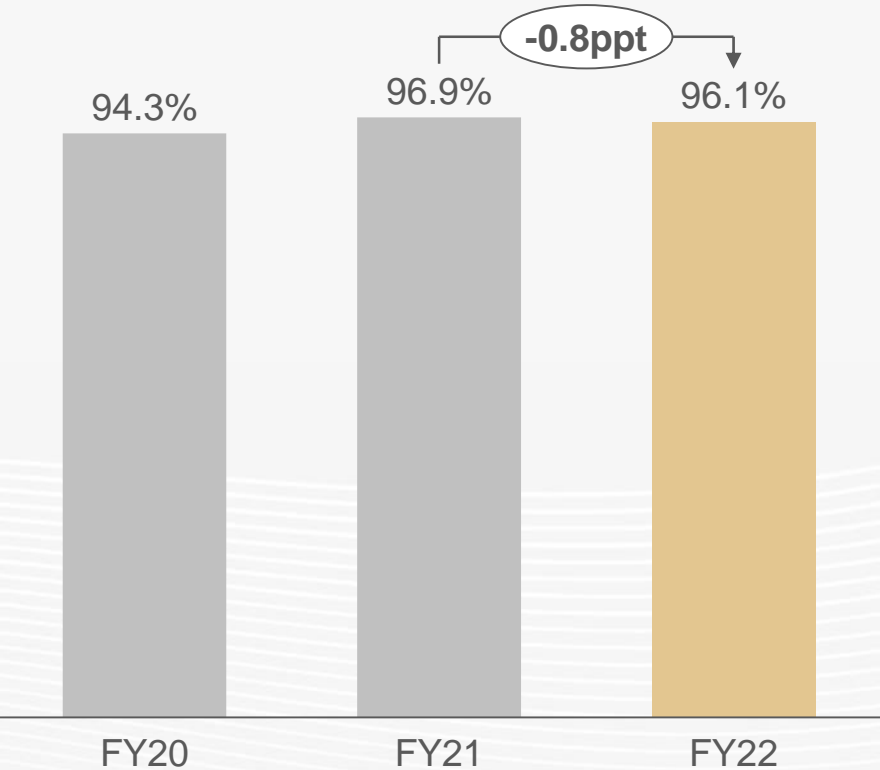
RMB 100 million



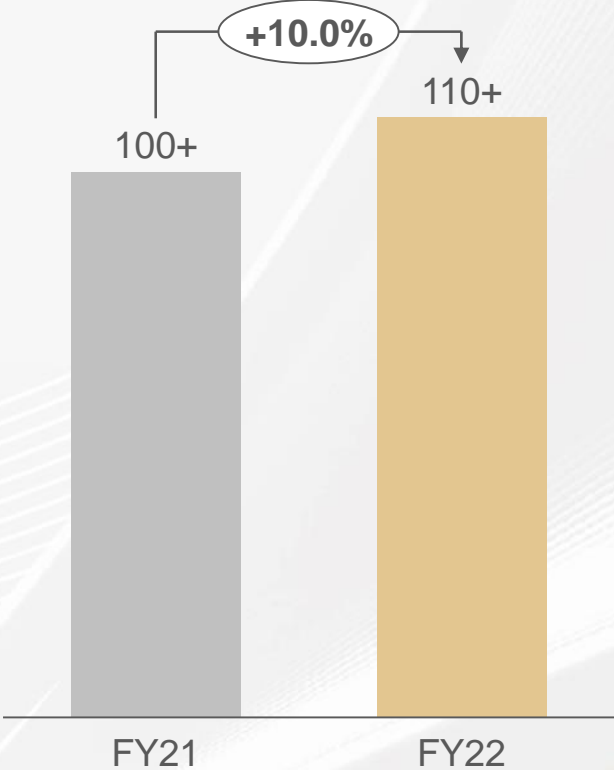
Commercial Management Business – Shopping Malls

Consolidating the strategic moat in brand resources and further deepening cooperation with core brands: The average occupancy rate of shopping malls under operation remained at a high level of 96.1% throughout the year. The number of international luxury brands in cooperation increased to more than 110, and the number of cooperative stores exceeded 470, maintaining the first in the industry.

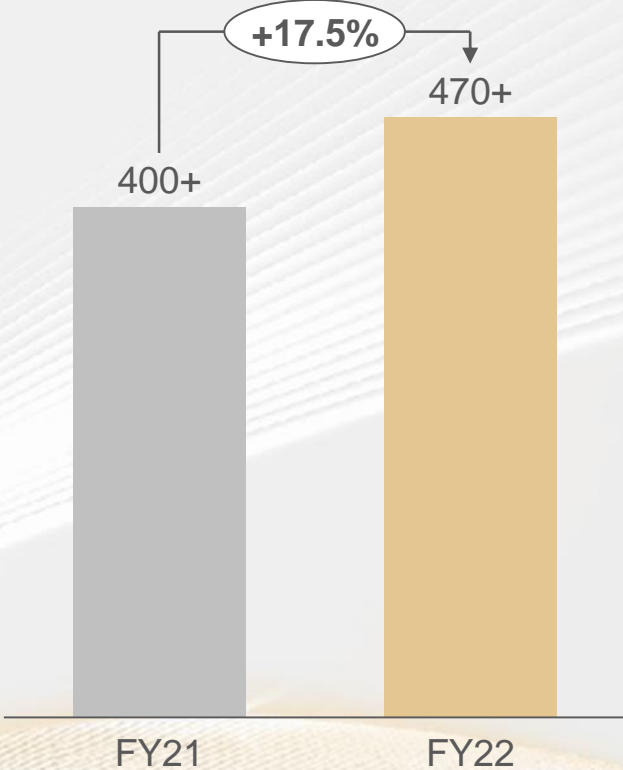
Occupancy rate
%



Number of International Luxury Brands
under Cooperation



Number of International Luxury Stores
under Cooperation



Commercial Management Business – Shopping Malls

16 shopping malls opened as scheduled with high quality, leading the upgrade of consumption and boosting economic development: The average opening rate of these 16 new shopping malls (excluding international brands) was 90.9%, the rental contribution from the property owners of these new shopping malls accounted for 6.0% of the total rental income from shopping malls under management. The average operating profit margin was 47.2%, contributing to the growth of annual results.



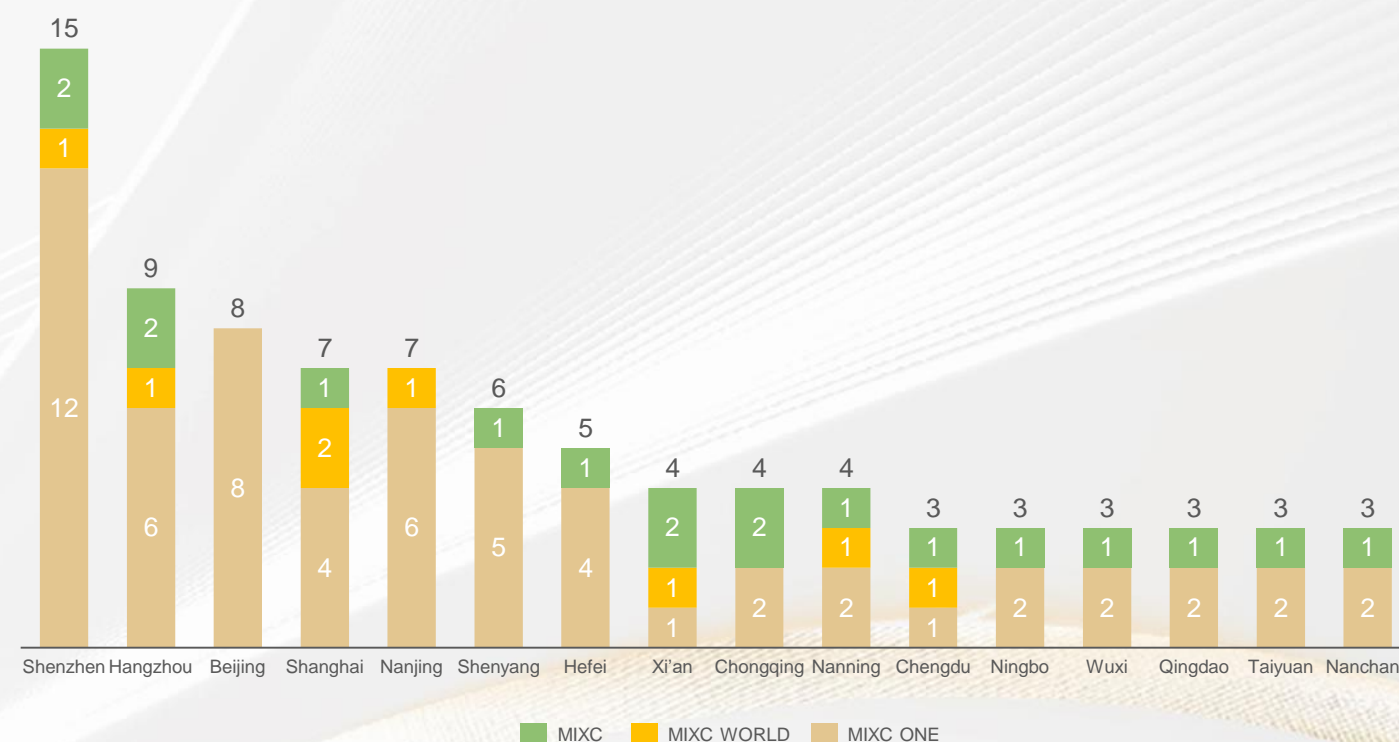
Commercial Management Business – Shopping Malls

Focusing on quality growth in scale, the Company achieved leading position in the scale and quality of expansion projects, and created a new commercial operation model: 13 projects were successfully signed during the year with an average GFA of 88,000 sq.m., of which 11 projects were TOD projects, accounting for 85% of all new contracted projects. All these projects were located in the first and second-tier cities. The Company obtained the right to operate Shenzhen Longgang Universiade Project on a PPP model, achieving a breakthrough in the expansion model of business. As of the end of 2022, 10 existing projects were acquired through exploring opportunities in the existing projects actively, accounting for 40% of the total projects, the aggregate number of cities realizing “One MIXC, Multiple MIXC ONE” and “Multiple MIXC, Multiple MIXC ONE” was 16.

High-quality third-party expansion projects

	FY22	Listing date to the end of 2022
Number of projects	13	25
GFA (10,000 sq. m.)	115	239
Average area of a single project (10,000 sq. m.)	8.8	9.6
Proportion of TOD projects	85%	80%
Proportion of projects in first-tier and second-tier cities	100%	96%
Proportion of existing projects	54%	40%

Persistently carrying out in depth development of key cities to realize “One MIXC, Multiple MIXC ONE” and “Multiple MIXC, Multiple MIXC ONE”



Commercial Management Business – Renovation Case of Existing Third-Party Projects

Zhongshan Shiqi MIXC ONE reopened after renovation, and achieved significant increase in operating results in all aspects: Zhongshan Shiqi MIXC ONE, an existing third-party project, grandly reopened in November 2022 after 9 months of renovation, with 95.3% of opening rate. Before and after takeover, the leasable area, monthly average rental income, monthly retail sales and monthly foot traffic increased significantly by 15.0%, 117.1%, 522.0% and 253.3% respectively. The project was honored the China Commercial Real Estate "Golden Tripod Award" Outstanding Existing Project Renovation of the Year.

Renovation and optimization

Optimized the traffic flow, increased the commercial area, redivided the stores, and increased the number of stores from 110 to 192 after the renovation, so as to enhance the utilization efficiency. The scope of the renovation was large enough to involve an area of more than 100,000 m², covering external facade upgrading, external square optimization, indoor decoration improvement, traffic flow optimization, etc.

Tenant sourcing upgrade

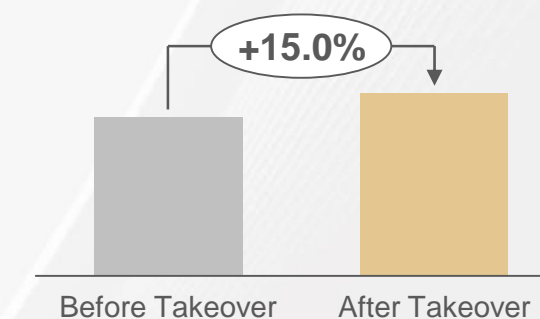
Adjusted the anchor stores to effectively shape product competitiveness. 71 first-entry brands accounted for 38% of the total number of stores, while urban flagship stores and high-standard stores accounted for more than 50%.

Operational improvement

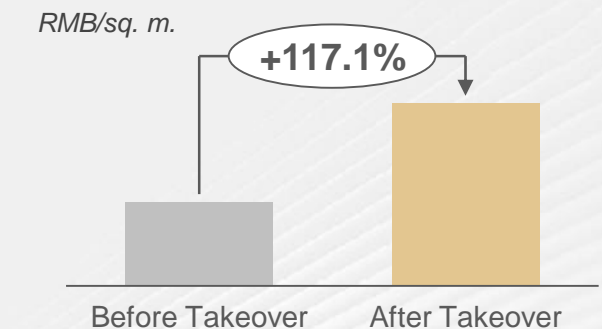
Introduced informatization management system, unified store decoration standards, upgraded store image, and improved project quality in all aspects. Introduced the city's first mamacare maternal and child service system, and the opening marketing event promptly established the commercial benchmark position in the city.



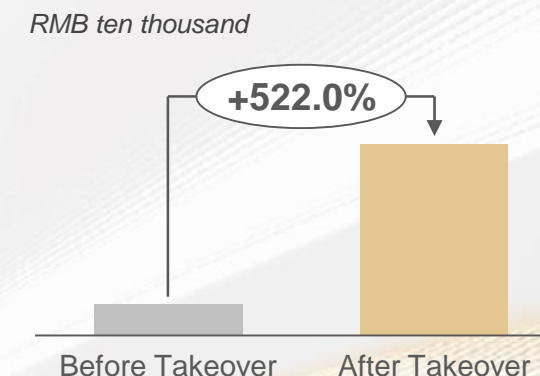
Leasable Area*



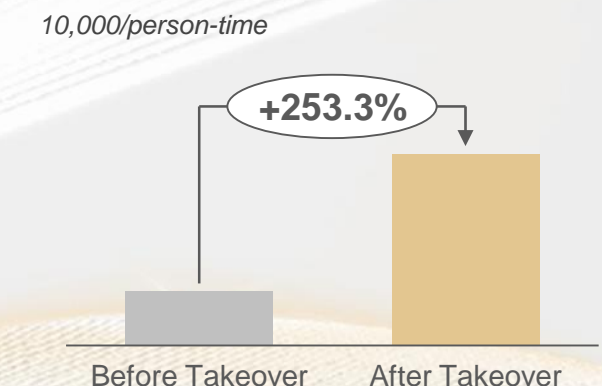
Monthly Average Rent*



Monthly Retail Sales*



Monthly Foot traffic*

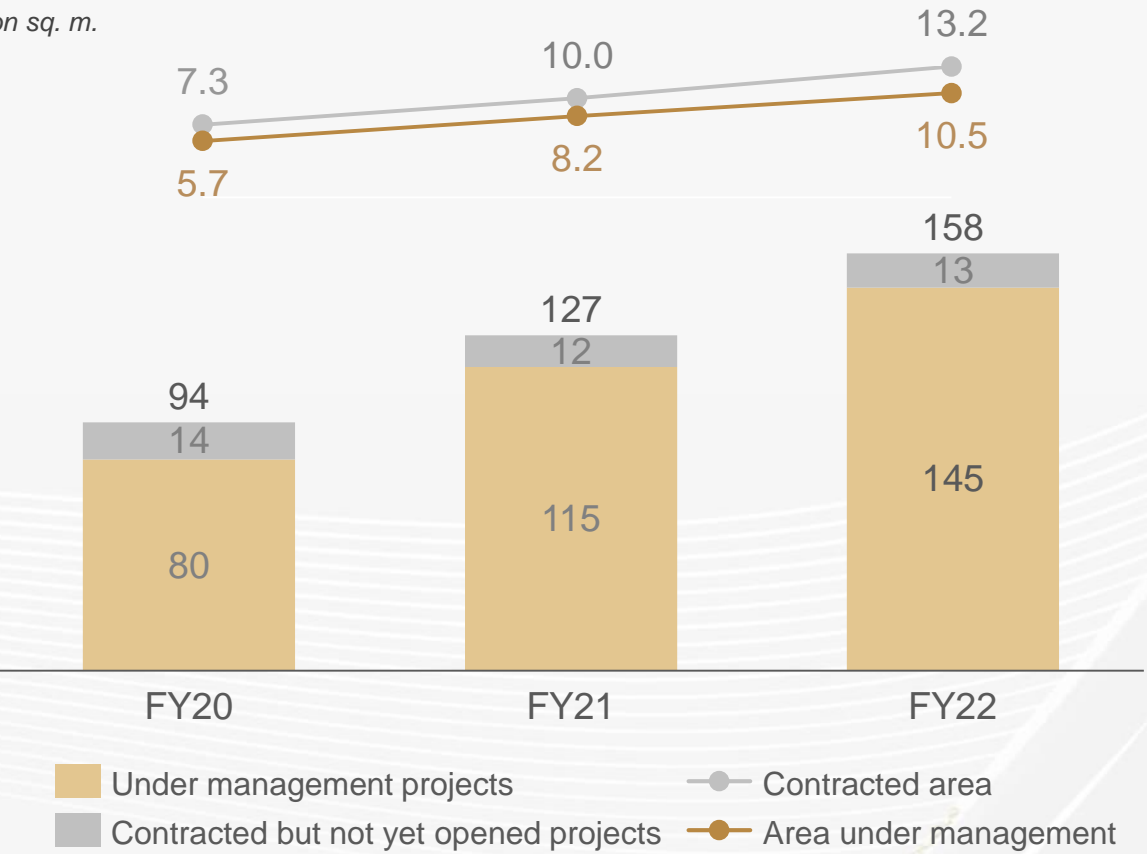


Note: 1. The time point when China Resources Mixc Lifestyle officially started the collection of management fees from property owners was regarded as the takeover point; 2. The data before takeover refers to the monthly average data of Zhongshan Shiqi MIXC ONE generated during the three months from October to December 2021, and the data after takeover refers to that in the month of January 2023.

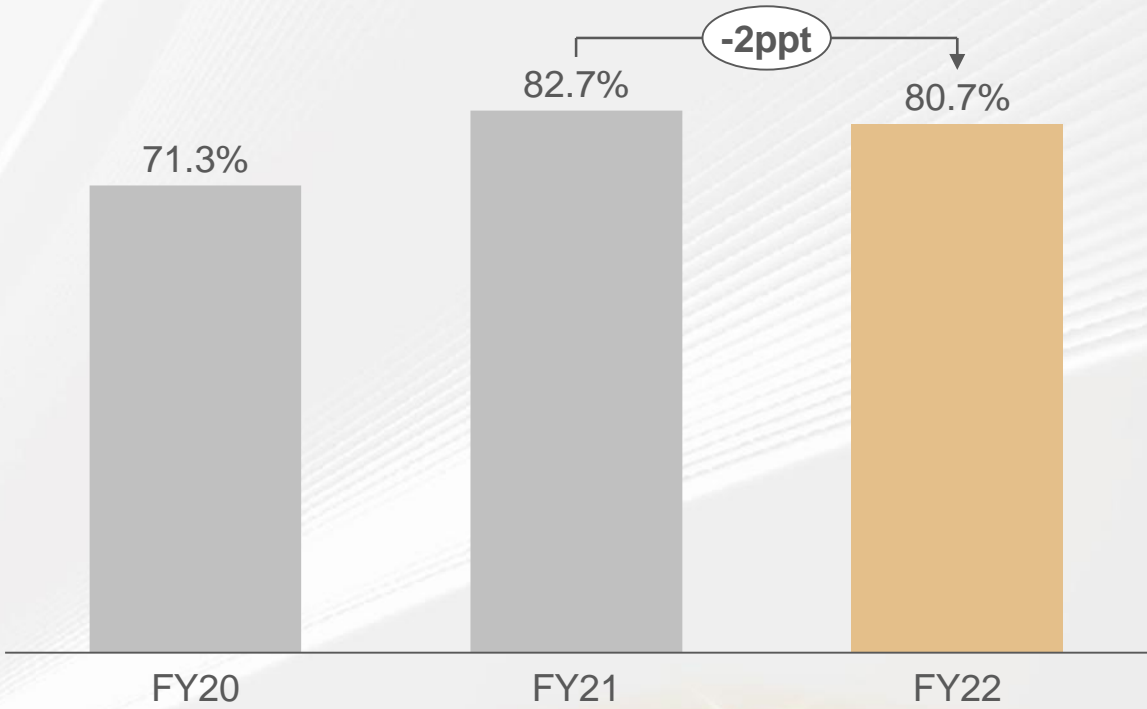
Commercial Management Business – Office

Strong operational capabilities and high-quality property management services ensured a stable occupancy rate of office, and kept expanding the scale of office property management business: As of the end of 2022, the number of office property under management was 145, 27 of which received operational management services. The GFA of office property under management reached 10.5 million sq.m. and the contracted area reached 13.2 million sq.m., representing a YoY increase of 28.2% and 31.9% respectively. The overall occupancy rate of office property for which the Company provided operational management services remained stable at 80.7%.

Commercial operation and property management projects – number under management & contracted number and the areas thereof
million sq. m.



Occupancy rate

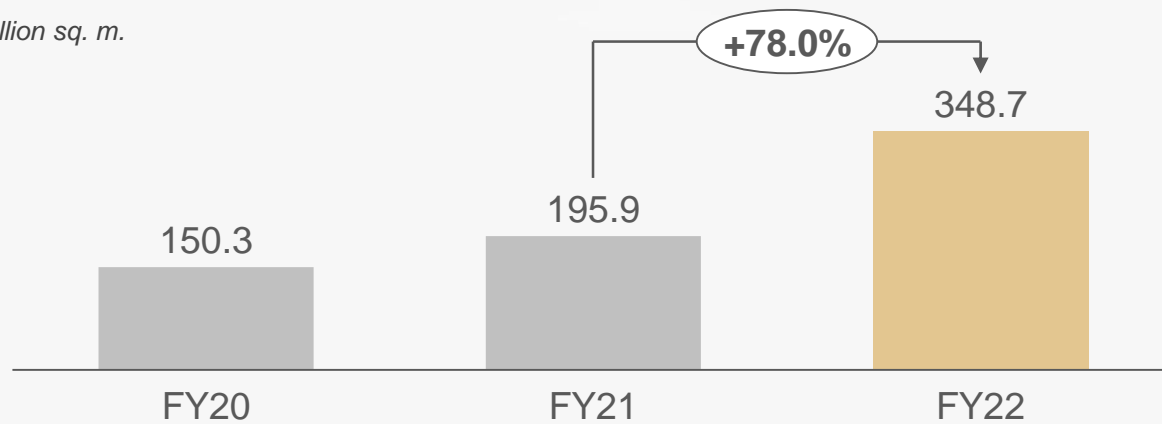


Property Management Business – Growth in Scale

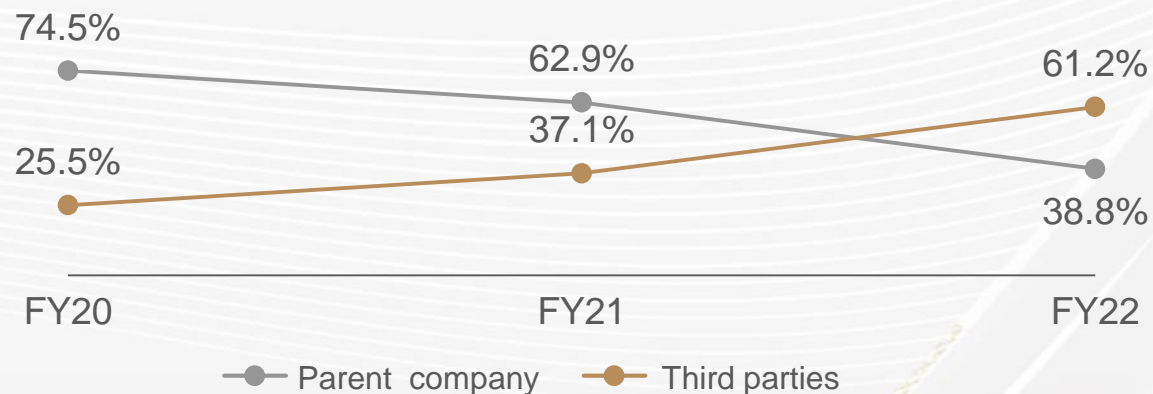
Management scale ranked the first echelon in the industry, with the proportion of both third-party contracted area and third-party area under management exceeding 50%: As of the end of 2022, the total contracted area reached 349 million sq.m. and the total area under management reached 291 million sq.m., representing a YoY increase of 78.0% and 87.3%, respectively. The proportion of third-party contracted area and the area under management reached 61.2% and 57.6%, respectively.

Total contracted area

million sq. m.

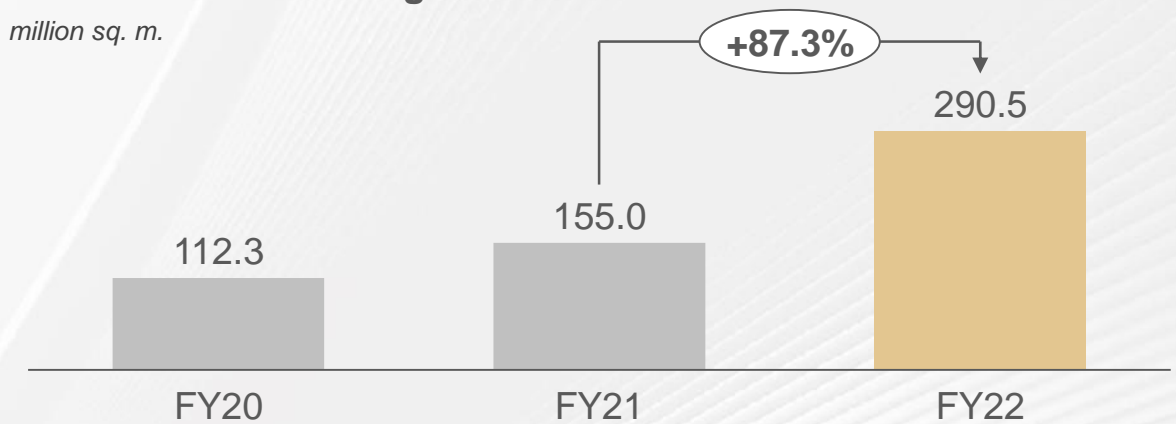


Percentage of contracted area: parent company vs third party

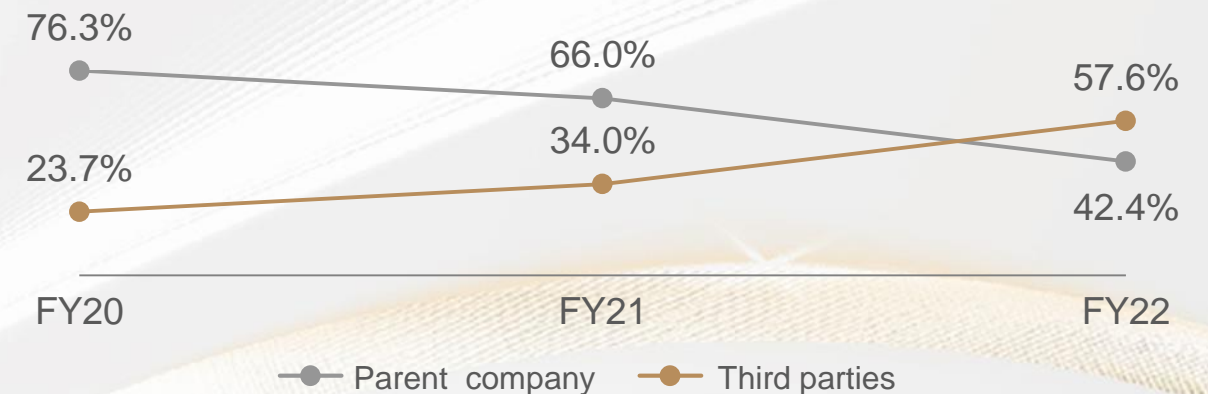


Total area under management

million sq. m.



Percentage of the area under management: parent company vs third party

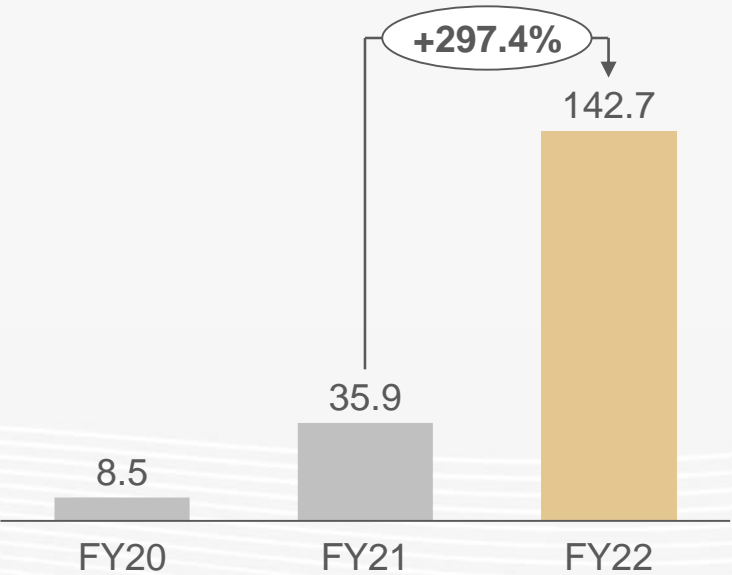


Property Management Business – Growth in Scale

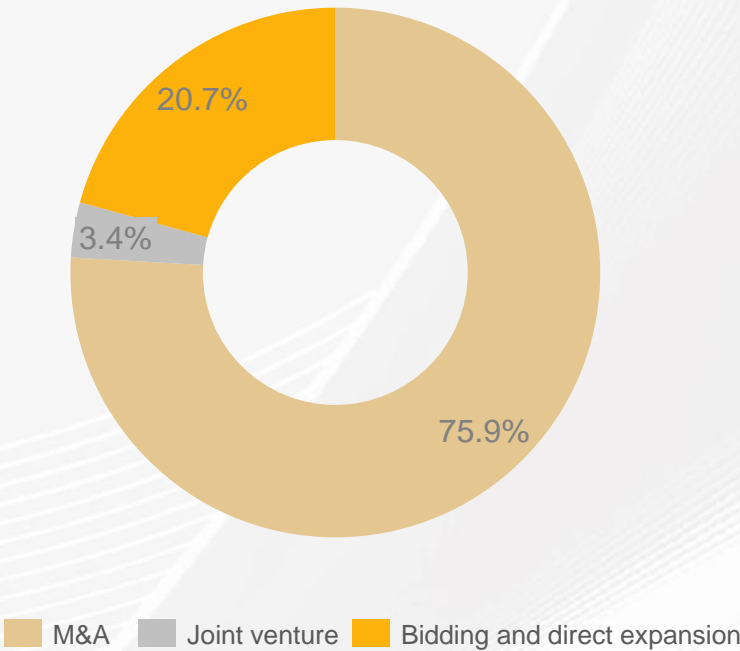
Successfully finished largest M&A deals in the industry, the Company established stronger market-oriented business development capacity across all channels and all sectors: During the year, the newly added third-party contracted area was 143 million sq. m., representing YoY increase of 297.4%. The area contribution from M&A, bidding & direct expansion and joint venture accounted for 75.9%, 20.7% and 3.4%, respectively. Among them, the area of community living space, office space and urban public space accounted for 76.9%, 0.9% and 22.2%, respectively.

Newly added third-party contracted area

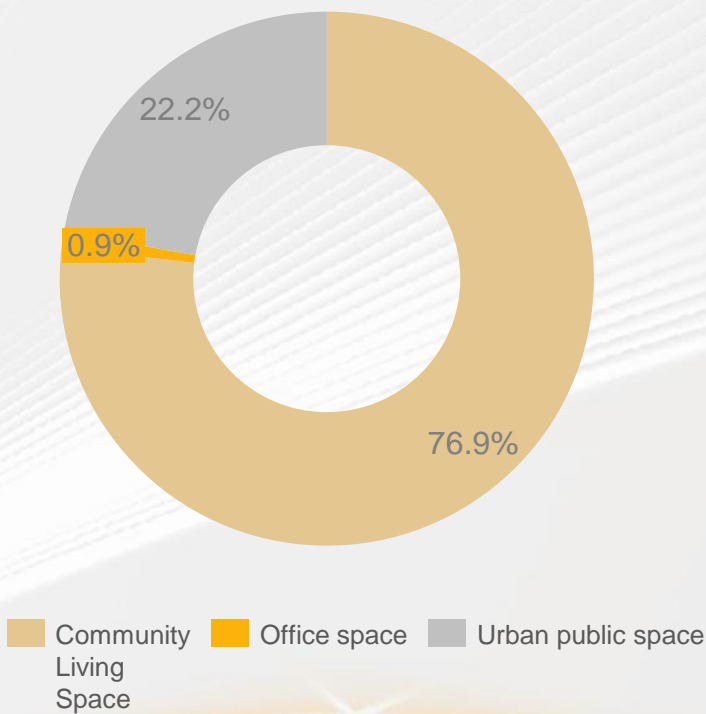
million sq. m.



Source of newly added third-party contracted area



Classification of newly added third-party contracted area

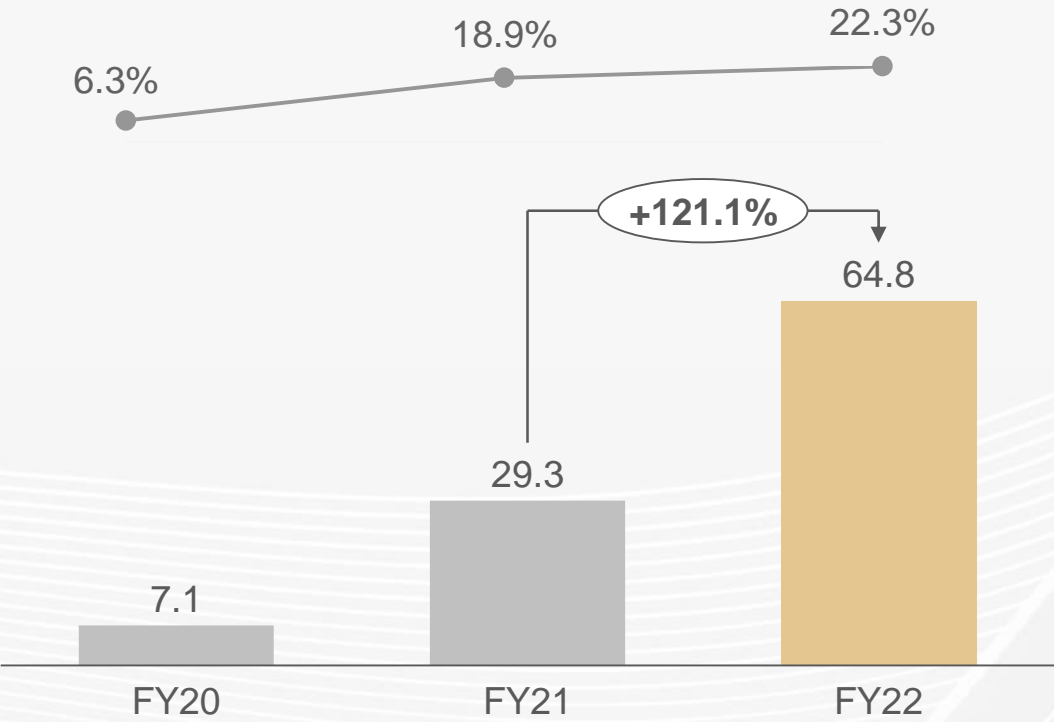


Note: The newly added third-party contracted area only included newly contracted projects in the current year, excluding renewed third-party projects that expired in the current year.

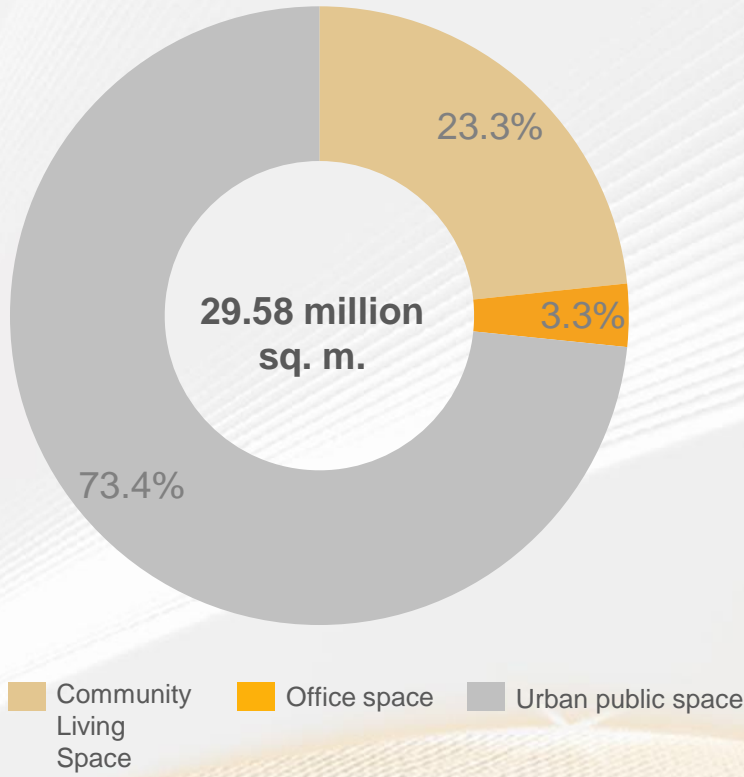
Property Management Business – Growth in Scale

Unswervingly accelerating the transformation of urban space operation business: The area under management of urban public space increased by 121.1% to 64.77 million sq. m. as compared with the end of 2021, the percentage of which to the total area under management rose 3.4 ppt to 22.3%. The sector of urban public space still dominated the channel of bidding and direct expansion with the contracted area accounting for 73.4%. The annual contracted amount of urban space projects acquired during the year was RMB885 million.

Area and proportion of urban public space under management
million sq. m.



Sector classification of newly added third-party contracted area of bidding and direct expansion during the year

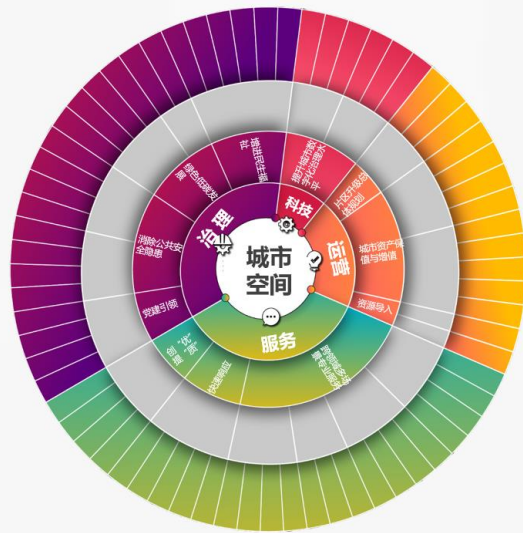


Property Management Business – Urban Space Service

Case

Releasing urban space operation service product system to boost urban renewal and upgrading: The urban space business product guide was issued, covering 78 product details in four major segments, namely service, governance, technology and operation. The guide was successfully conducted in-depth practice in key projects such as Dong' an Lake in Chengdu, Nanhu Street and “property management city” in Sungang street in Luohu District, Shenzhen, bringing benefits to all parties.

Accelerate product design



The urban space business product guide covering 78 product details in four major segments, namely service, governance, technology and operation.

Build a urban space operation service model

Project of Dong'an Lake in Chengdu

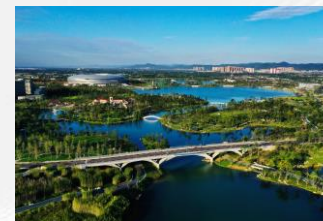
Revenue contribution in 2022:

more than RMB30 million

Owner satisfaction: **100 points**

Tourist satisfaction: **97.6 points**

Management area: **4.26 million sq. m.**



Project of Nanhu Street and Sungang Street in Luohu District in Shenzhen

Revenue contribution in 2022:

more than RMB50 million

Owner satisfaction: **100 points**

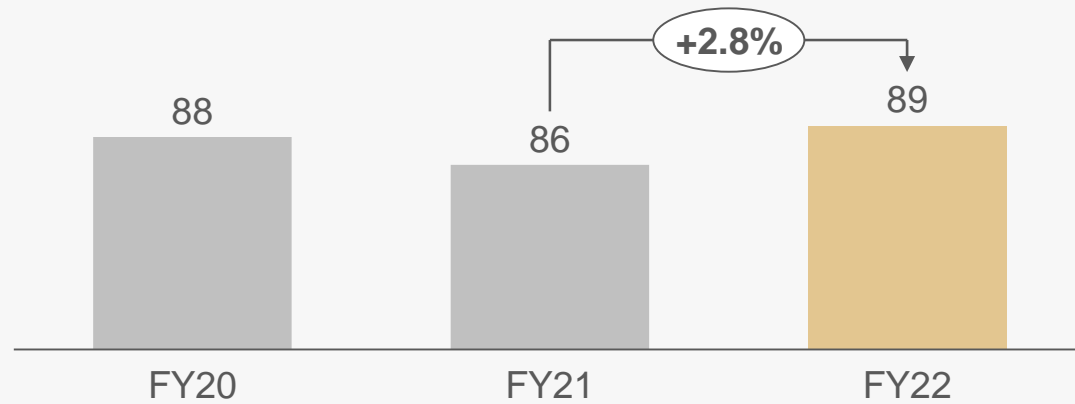
Management area: **3.64 million sq. m.**



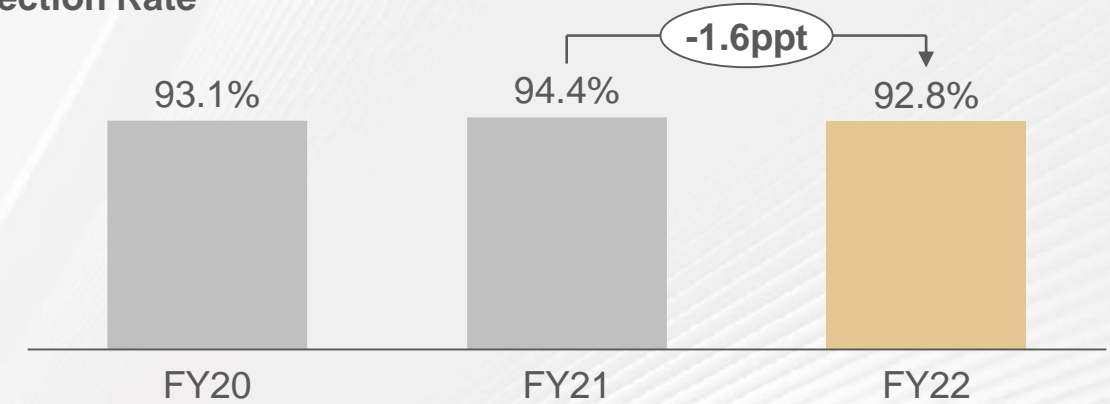
Property Management Business – Service Quality

Implementing high-quality service principle, maintaining leading efficiency indicators in the industry, and staying stable in gross profit margin from basic property services: The customer satisfaction was 89, maintaining an industrial leading position. The renewal rate was 98.0% and the collection rate was 92.8%, maintaining at a high level in the difficult environment of normalized prevention and control of the pandemic. Gross profit margin from basic property services increased by 0.5 ppt to 15.5% YoY.

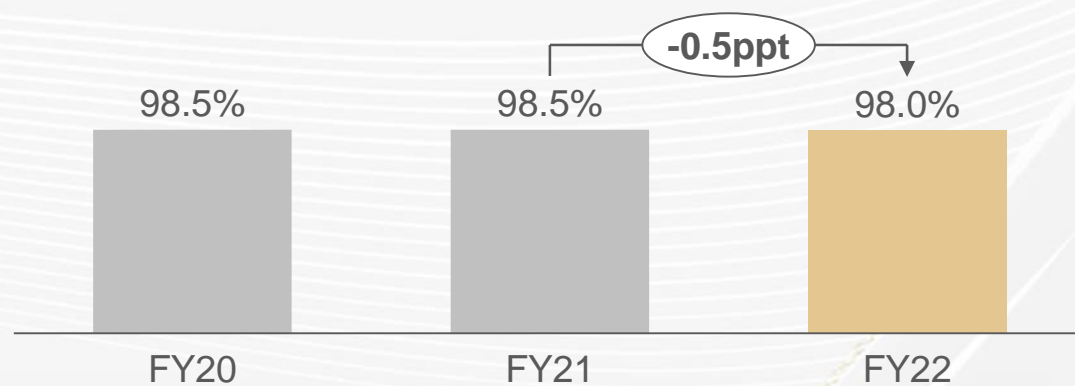
Customer Satisfaction*



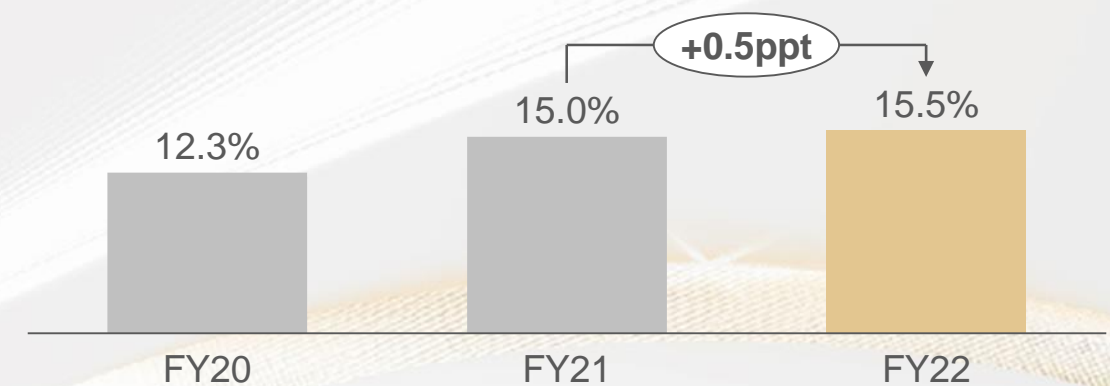
Collection Rate*



Renewal Rate*



Gross profit margin from basic property service



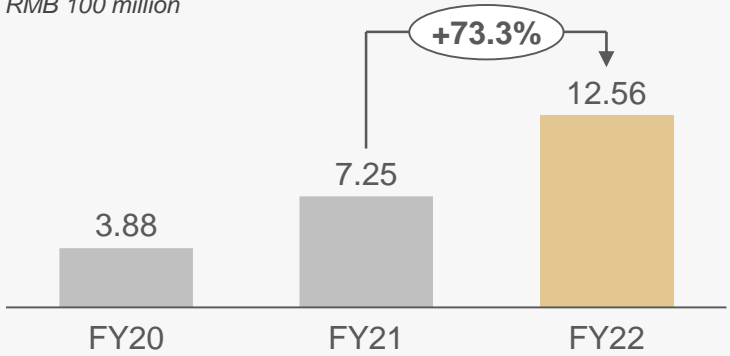
*Excluding M&A during the year.

Property Management Business – Community Value-added Services

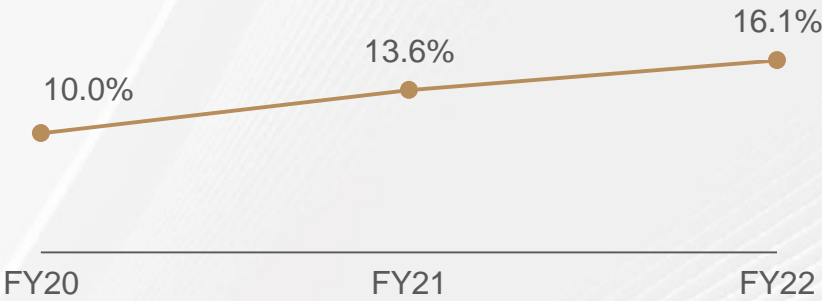


Continuously deepening the development of five business segments and building a one-stop living service platform: Revenue from community value-added services increased by 73.3% YoY to RMB1.256 billion. The percentage of revenue from community value-added services to revenue from property management segment increased by 2.5 percentage points to 16.1%, of which revenue from “one-stop decoration” and “butler on call” increased by more than 100% YoY.

Revenue from community value-added services
RMB 100 million

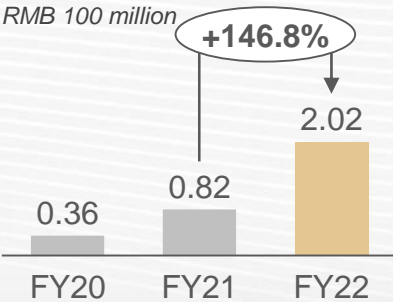


The percentage of revenue from community value-added services to revenue from property management segment

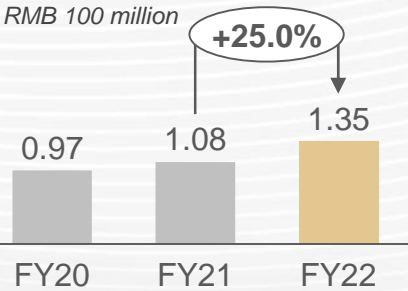


Continuously deepening the development of five business segments

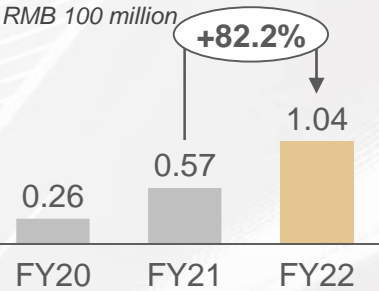
Revenue from “One-stop Decoration”



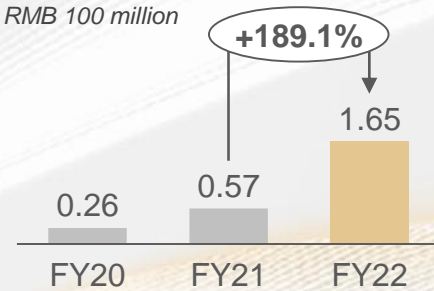
Revenue from “Minimal space”



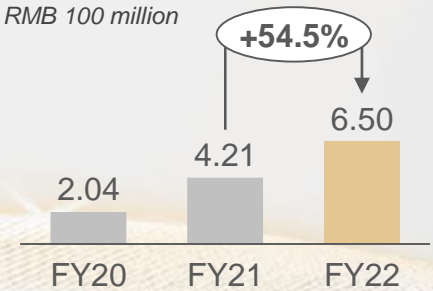
Revenue from “Direct selection of CR goods”



Revenue from “Butler on call”



Revenue from “1m Leasing and Sale”



M&A Integration

High-quality of Yuzhou and Zhongnan take-over deals, well-organised integration of acquired enterprises:The M&A integration of Yuzhou and Zhongnan projects was steady and well-organized. The post-investment performance was achieved through strategic integration, organizational integration and cultural integration. Yuzhou and Zhongnan projects contributed RMB1.44 billion to the consolidated revenue and RMB104 million to net profit for 2022, fully achieved the annual post-investment results goals.

Post-Investment results achieved in all aspects

	FY22 consolidated revenue	FY22 consolidated net profit	Comprehensive gross profit margin	Comprehensive collection rate
Zhongnan project	RMB971 million	RMB78 million	22.8%	85%
Yuzhou project	RMB469 million	RMB26 million	19.2%	87%
Total	RMB1.44 billion	RMB104 million	-	-



Well-organised integration of acquired enterprises:

Initiated the comprehensive integration plan for Yuzhou and Zhongnan projects

Consolidation of financial statement of Yuzhou

Consolidation of financial statement of Zhongnan

Gradually realised strategic integration, organizational integration, and cultural integration.

Achieved comprehensive integration, Yuzhou and Zhongnan projects were integrated into CR MIXC Lifestyle Management Organization.

February 2022

March 2022

May 2022

June 2023

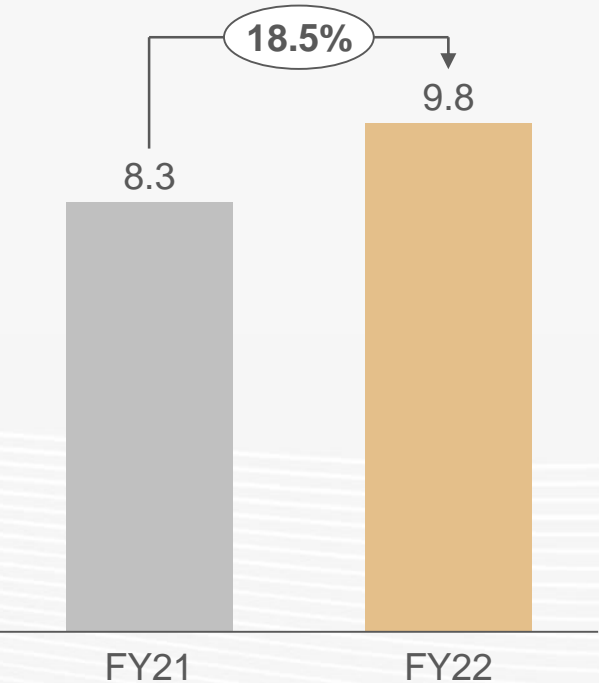


Membership

The initial success of membership system: “MIXC POINT” bonus point membership brand was officially launched during the year, realizing bonus points recognition across all business sectors within CR Land, major business segments within the CR Group, and external cooperative partners. The bonus point pool was continued to expand. The total amount issued and redeemed by MIXC POINT during the year was about RMB980 million, representing an increase of 18.5% YoY. As of the end of 2022, the total number of MIXC POINT members increased by 33.1% annually to 34 million through continuous operations of bonus points and rights.

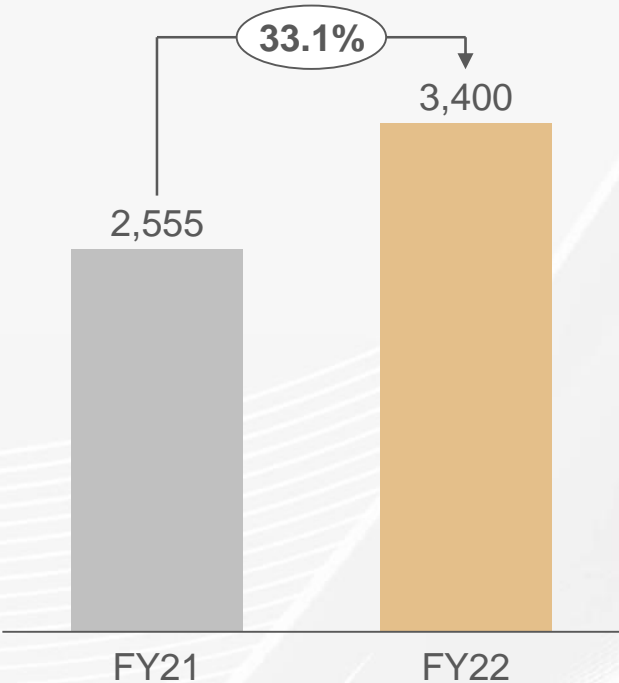
Amount issued and redeemed by Mixc Point during the year

RMB 100 million



Total number of members

Ten thousand members



Themed Event "MIXC Warm Spring"

- Introduced **business management resources** to the property service community, improved the quality of events, strengthened the influence of the project, and enhanced the brand concept of MIXC Lifestyle.
- This Event was held in **154** property communities in **42** cities across the country with **nearly 100** commercial management tenant brands participating in this **event across different sectors.**



Reformation of Organizational Structure and Formation of Talent Supply Chain

Continuously build an organization with “flat structure, talent priority, rapid response and high efficiency”, reform organizational structure and promote the sharing-platform of middle and back office positions, introduce high-caliber talents and upgrade the talent structure, vigorously cultivate reserve talents for key positions in business management and property management, facilitate MIXC Lifestyle in realizing the “14th Five-Year Plan” strategic goal.

Build a flat and efficient organizational structure

- Finalizing organization reformation in property management services to form “**headquarters – municipal branches**” **two-level flat organization**.
- Average area under management of the property projects increased by approximately **350,000 sq. m.**, realizing **professional organizational management**.
- Percentage of members born after the 80s in the core management team of municipal branches increased by **18%**, while the percentage of members with bachelor degree or above rose by **5%**.
- To drive the construction of professional platforms for functional regions. The per capita efficiency is expected to increase by **15-20%** through professional centralization and intracity sharing management.

Introduce high-quality talents

- For the year of 2022, **217** high-calibre talents in digitalization field were recruited and research, **41%** of which were from leading internet firms.
- **204** staff were recruited to business expansion team of property development in 2022, **72%** of which were from leading property management companies (top 10).

Talent echelon cultivation

1. Focus on two key groups

- Initiate the Phase III “MIXC management talent” class to accelerate the training of talents in the reserve store.
- Select talents with high potentials to the cultivation and review for the general manager of the reserve property projects.

2. Strengthen the capability of promising enterprises

- Reserve cultivation for commercial “MIXC operational talent” store department heads, covering reserve talents for the next three years.
- Reserve cultivation for property “MIXC operational talent” major property project heads to enhance on-duty training.

3. Cultivate young talents at the front line

- The “MIXC Excellent Talents” cultivation project develops a learning map for professional leaders of commercial stores and property projects. The map standardizes the learning path and content and normalizes the learning of professional positions involved in business at the front line.
- “MIXC technical talent” commercial and property professional training and job rotation training for graduates.

Initial Achievements in Digitalized Transformation

Commercial digital technology application business saw initial achievements. Property digital management and service capabilities were further enhanced: the commercial side upgraded the digital operation capabilities of three key scenarios to enhance operational service efficiency, and strengthened members' refined operation capabilities to enable both human resource efficiency enhancement and revenue increase. "E-MIXC" service rejuvenation upgraded customer service experience and achieved business management performance. The property side adhered to the philosophy of high-quality service, released a new property management system of "Zhao Xi", focused on renewing the property charging system, and comprehensively improved property services efficiency and experience, laying a solid foundation for property management profits increase.

Boost commercial management results

Enhance light asset digital operation capabilities

- ✓ Space operation scenario: upgrade the digital capabilities of store management and resource management, and improve space utilization and operating revenue.
- ✓ Member transaction scenarios: through digital products and platforms, expand member consumption scenarios, accumulate transaction data, and improve mall operating capabilities;
- ✓ Business decision-making scenario: realise multi-dimensional fine data analysis and cross-comparison from different management perspectives, and support efficient and scientific decision-making.

Tenant sourcing efficiency
Rent level

Member transaction conversion rate
Bonus point deduction rate

Management efficiency
Decision-making efficiency

Enhance efficiency of refined operations of members

- ✓ Create a "marketing image platform" to accurately explore user images. Facilitate member operation human resource efficiency while increasing project operating revenue.

Time for marketing arrangement
3-5 days shortened to
1 hour

Pilot project silent members
Increase marketing conversion rate to
100%

Upgrade customer service experience

- ✓ "E-MIXC" went through all-around upgrading. "point collection and parking payment" is more convenient. Intelligent customer service and content community create 7*24 hour service. Further released the value of members and boost business management results.

28.23 million
Registered member

RMB1.598 billion
Online transaction amount

+85%
Active time online

Content consumption users
+78%
Online transaction amount

"Zhao Xi" property management system

- ✓ The employee-end APP realized online standardized operations in all property service scenarios, enhancing the service efficiency of front-line employees.
- ✓ The owner-end APP trades good service for good reputation. The registration rate of owners in the pilot project reached **71%**.

Laying a solid foundation for profit increase in property management

- ✓ The owner's basic property fee and value-added service fee were handled automatically, covering operations from payment and deposits to invoicing. This enhanced financial operations human resource efficiency and reduced property management costs.
- ✓ Realized online payment by owners, comprehensively improving the payment experience.

Property Charging System

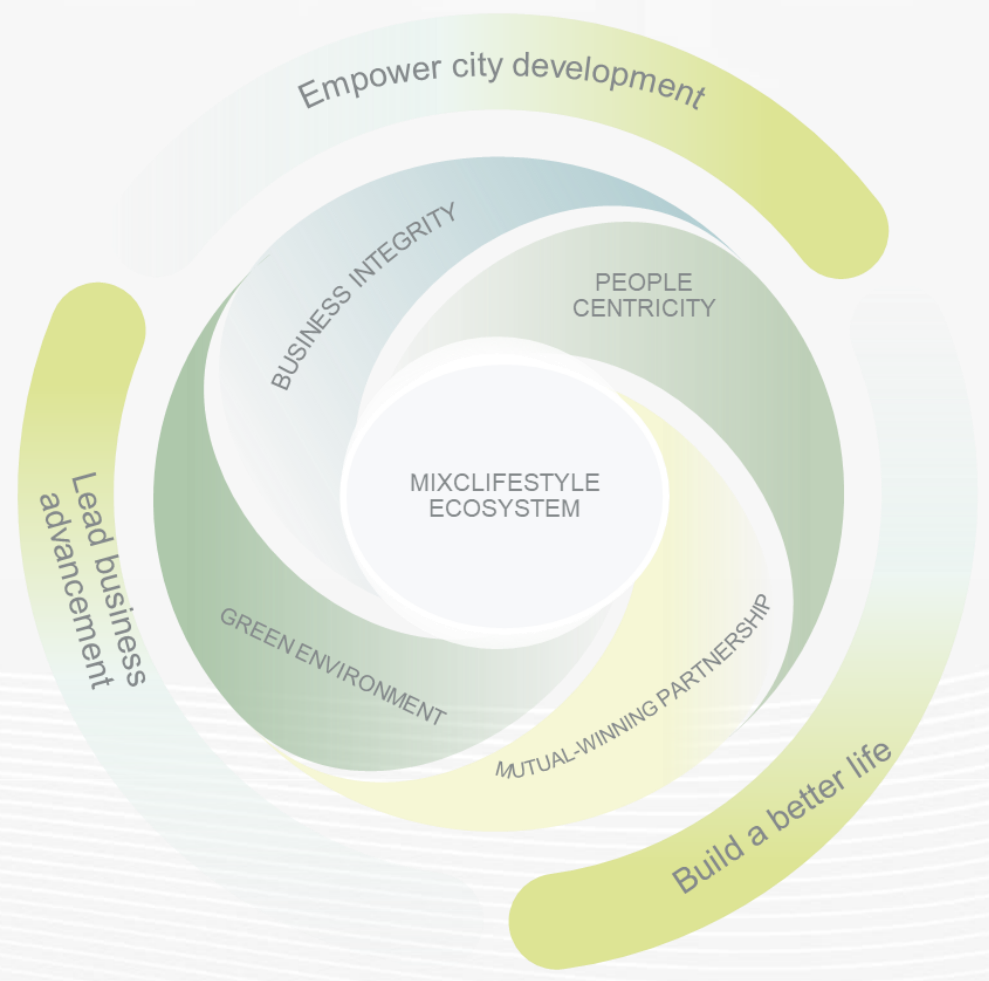
4 *ESG*



Chengdu Dong'an Lake

Environmental, Social and Corporate Governance

The Company formulated and released the “153” ESG strategy at the company level for the first time: Established the sustainable development strategy focusing on MIXC lifestyle ecosystem, involving people centricity , mutual-winning partnership, green environment and business integrity as the key areas to become a world-leading sustainable enterprise.



- 1

VISION

A world-leading sustainable enterprise
- 3

GOALS

- Lead business advancement
 - Empower city development
 - Build a better life

- 5

AREAS

MIXC lifestyle ecosystem

people centricity

mutual-winning partnership

green environment

business integrity

- 

MIXCLIFESTYLE ECOSYSTEM
Based on the ecosystem business model, we aim to provide high-quality services for all customers, to empower urban economic growth and vitality, and to shape the city's humanistic and artistic environment through the integration of quality resources and the operation of full-format urban space.
- 

PEOPLE CENTRICITY
Adhering to the objective of “respecting the human value, developing the human potential, and enhancing the human spirit”, we aim to innovate talent acquisition strategies, to build a well-rounded talent development system, to enhance employees' sense of fulfillment and happiness, and eventually to share the benefits of development with all employees.
- 

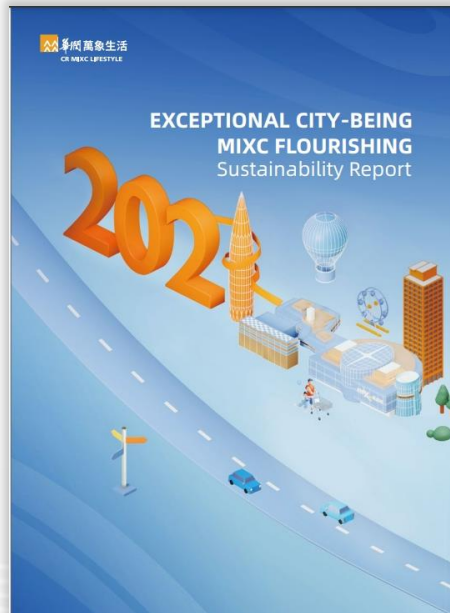
MUTUAL-WINNING PARTNERSHIP
Committed to building a partnership of “mutual benefits, growths, and achievements”, we aim to implement sustainable programs and to improve sustainable performance with all partners.
- 

GREEN ENVIRONMENT
Applying green concepts to all business; applying green goals to all projects; applying green management to all process. We aim to minimize the adverse impact on the environment and climate, and to ensure green, low-carbon, harmonious coexistence between mankind and nature.
- 

BUSINESS INTEGRITY
Strictly following the corporate value of “Integrity”, through continuous improvement of the modern governance system and commitment to business ethical standards, we aim to accelerate the company's long-term stable operation and sustainable development in the future.

Environmental, Social and Corporate Governance

ESG information disclosure mechanism was improved: An information disclosure system in which disclosure is made via channels of annual sustainable development reports, and the Company's official website, and official WeChat account. The Company was included in the "HSI ESG Enhanced Index" and "HSI ESG Enhanced Select Index". The performance in the MSCI ESG Rating is positive.



- ▶ Considering the HKEX ESG and CASS-CSR4.0 indicator system, the Company released its second sustainable development report.
- ▶ The Company's official website and official WeChat account set up sustainable development columns/special topics, focusing on the Company's practice highlights. The content discloses policies in anti-corruption and anti-bribery, non-compliance reporting, climate and environmental change, energy, occupational health and safety management, employee rights and welfare and other aspects to improve the quality of disclosure.



- ▶ The Company was included in the "HSI ESG Enhanced Index" and "HSI ESG Enhanced Select Index".



- ▶ Multiple MSCI issues performed well: the performance scores improved on core issues such as carbon emissions, health and safety, labor management, and corporate behavior. The overall rating maintained "BBB".

Environmental, Social and Corporate Governance

Build a domestic light asset management benchmark enterprise for green and low-carbon: Be actively respond to the national "dual carbon" goal, clarify the implementation path, and establish the dual carbon strategic management goal of "2030 Carbon Peak, 2050 Carbon Neutrality". The company formulated seven major carbon reduction plans including green commercial management, green renovation, green property management, green office, green supply chain, green assets and green brand through business optimization and management enhancement.



CR MIXC Lifestyle Carbon Emission Scope

Scope 1&2	Emission sources owned or directly controlled by CR MIXC Lifestyle	According to international rules (GHG Protocol, ISO 14064), Scope 1 & 2 that CR MIXC Lifestyle must disclose includes the carbon emissions generated by the headquarters and regional offices at all levels , and by vehicles of the Company, as well as carbon emissions that generated in chartered shopping mall public areas .
Required disclosures	Energy purchased externally as required by the production and operation of CR MIXC Lifestyle	
Scope3	In the upstream and downstream of the supply chain, CR MIXC Lifestyle provides services and affects all energy consumption. Of business scopes	Carbon emissions other than Scope 1 & 2 include upstream and downstream carbon emissions such as commuting of company employees. Among them, shopping malls/office buildings (public areas and leased areas) and residential public areas in Scope 3 are required to be managed distinctively. Residential public areas may be included in Scope 1&2 in the future.
Voluntary disclosure		



CR MIXC Lifestyle Carbon Management Goal

2030 Carbon Peaking, 2050 Carbon Neutrality

1	Carbon goal
	Scope 1&2 Office area + Chartered shopping malls (public area) Reach peak in 2030 Achieve neutrality in 2050
2	Management requirements
	Scope 3 Shopping Malls (public area) owned by CR Land + Office owned by CR Land (public area) Implement internal quantitative management against the goals set by the company
3	Management requirements
	Scope 3 Expansion and third-party shopping malls and office Residential property management public area Qualitative management is implemented internally, and quantitative goals are not set for the time being



CR MIXC Lifestyle Carbon Strategic Framework

Overall goal
Build a domestic light asset management benchmark enterprise for green and low-carbon
7 major carbon reduction plans

Green commercial management

Green supply chain

Green renovation

Green assets

Green property management

Green office

Green brand

Business optimisation

+

Management enhancement

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