

IPO FACT SHEET
Times Neighborhood Holdings Limited (9928)
ISSUE STATISTICS

Offer Size:	HK\$684.50m – HK\$938.56m
Placement Tranche:	161.82m
Price:	HK\$4.23 – HK\$5.80
Board lot:	1,000
Entry fee:	HK\$5,858.45
Historical PE	53.97x – 74.00x
Net tangible assets per share:	HK\$0.78 – HK\$1.06
Market Cap (post-IPO):	HK\$3,844m – HK\$5,270m
Open:	09 Dec 2019
Close:	12.00 noon on 12 Dec 2019
Trading:	19 Dec 2019
Sponsor:	Haitong International Capital Limited

Year ended 31 Dec	(RMB'000)	yoy % chg
Revenue		
2017	518,995	39.2%
2018	695,752	34.1%
Profit for the year/period		
2017	34,175	70.3%
2018	64,164	87.8%

BACKGROUND

- The Group is one of the leading and fast-growing comprehensive property management service providers in China. In 2019, they were ranked 13th among the Top 100 Property Management Companies in terms of overall strength* by China Index Academy (CIA).
- In 2018, they were ranked 11th among the top 100 property management companies of China (物業服務企業綜合實力測評 TOP 100) in terms of overall strength by China Property Management Institute (中國物業管理協會).
- They stand out from the competition with their peers by their market tested service quality, brand reputation and diversified service offering.
- As of June 30, 2019, they had 204 property management service projects under management with a total GFA under property management of over 34.7 million sq.m. and six municipal sanitation projects with a total GFA under management of over 8.0 million sq.m.
- Their property management service projects include projects for property management consisting of residential communities, industrial parks, commercial properties and office buildings, multi-purpose complexes, government buildings, public facilities, airports and educational institutions, located in 15 cities in the PRC.
- They have experienced rapid growth in recent years. Their net profit grew at a CAGR of 78.8% from 2016 to 2018, making them the fourth among the Top 20 Property Management Companies according to CIA. Their Listing will constitute a Spin-off from Times China Group.

BUSINESS STRATEGIES

- Expand business scale and market share, and continuously solidify their industry leading position.
- Continue to leverage their proven management system to achieve rapid business growth through strategic acquisitions and investments.
- Further optimize their business model and control costs through digitalized management systems and automated operations.
- Continue to provide diversified and differentiated value-added services to enhance customer experience and satisfaction.
- Focus on developing their other professional services.
- Continue to attract, cultivate and retain talent to support business growth.

COMPETITIVE STRENGTHS

- A leading property management service provider in China deeply rooted in the Greater Bay Area with visible growth potential.
- Support from Times China Group and strong business development capability enhancing their competitiveness and fueling further expansion.
- A diversified service portfolio catering to various types of properties and customers and creating diversified revenue streams.
- Rich experience in property management and quality service winning high customer satisfaction rate.
- Standardized and intelligent operations and advanced IT system realizing operational efficiency and customer experience improvement.
- Seasoned and innovative management team, competitive workforce and well-developed HR system supporting their sustainable growth.

KEY RISKS

- Their future growth may not materialize as planned.
- They may recognize impairment losses for goodwill recorded in connection with their historical acquisitions.
- They may fail to secure new or renew their existing property management service contracts on favorable terms, or at all.
- Their future acquisitions may not be successful.
- A substantial portion of their revenue is generated from property management services they provide in relation to Times China Group's property development projects.

DIVIDEND POLICY

- No fixed dividend policy.

USE OF PROCEEDS

	HK mn	As a percentage of gross proceeds from the Invitation
Pursue selective strategic investment and acquisition opportunities and to further develop strategic alliances.	500.0	65.0%
Leverage advanced technologies and build intelligent communities that would improve service quality for their customers.	115.4	15.0%
Further develop their one-stop service platform.	76.9	10.0%
For working capital and general corporate purpose.	76.9	10.0%
Total:	769.2	100.0%

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