

TARGET

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T U E S D A Y

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**RONSHINE SERVICE HOLDING COMPANY LTD:
THIS COMPANY COULD WELL CONTINUE TO BE A WINNER,
TODAY, AND IN THE MANY TOMORROWS TO FOLLOW**

For a company with an Annual Revenue of more than 750 million renminbi* (a little more than \$HK901,777,500.00), it is rare, indeed, but to digest the following two-paragraph, definitive statements is even rarer:

‘Bank borrowings

‘During the Track Record Period (the 36 months, ended December 31, 2020) and as of December 31, 2018, 2019 and 2020 and April 30, 2021, being the latest practicable date for the purpose of the indebtedness statements, we had nil interest-bearing bank borrowings.

‘As at the Latest Practicable Date, we had nil unutilized banking facilities.’

*Note: RMB, or renminbi, is the lawful currency of the People’s Republic of China.

The above paragraphs were somewhat secreted at Page 339 of the 529-Page Global Offering Prospectus of Ronshine Service Holding Company Ltd (融信服務集團股份有限公司) (Code: 2207, Main Board, The Stock Exchange of Hongkong Ltd).

The innuendo with regard to the above two paragraphs must be that Senior Management of Ronshine Service Holding Company Ltd had no requirement of bank support for at least the 40 months, ended April 30, 2021.

And, on scanning the Interim Results for the six months, ended June 30, 2021, Management appears to remain content in the certain knowledge that it has no immediate requirement to borrow any material amount of money from banks or lending organisations.

The Interim Results Of Ronshine Service Holding Company Ltd

On Monday, August 30, 2021, Ronshine Service Holding Company Ltd released its financial results in respect of the six months, ended June 30, 2021.

At Page One of this announcement, the '**FINANCIAL AND OPERATIONAL HIGHLIGHTS**' were presented as follows:

- *'Total revenue of the Group for the Reporting Period amounted to RMB488.8 million, increased by 53.5% as compared with the six months ended 30 June 2020.'*
- *'The revenue of the Group is mainly derived from three major business lines: (i) property management services; (ii) value-added services to non-property owners; and (iii) community value-added services. During the Reporting Period: (i) revenue from property management services amounted to approximately RMB220.4 million, accounting for 45.1% of the overall revenue, representing a period-on-period increase of approximately 33.3% compared with RMB165.4 million in the same period of 2020; (ii) revenue from value-added services to non-property owners amounted to approximately RMB238.2 million, accounting for 48.7% of the overall revenue, representing a year-on-year increase of approximately 61.6% compared to RMB147.3 million in the same period of 2020; and (iii) revenue from community value-added services amounted to approximately RMB30.3 million, accounting for 6.2% of the overall revenue, representing a year-on-year increase of approximately 432.7% compared to RMB5.7 million in the same period of 2020.'*
- *'Gross profit of the Group for the Reporting Period amounted to RMB143.8 million, representing an increase of 53.6% as compared with the six months ended 30 June 2020. During the Reporting Period, the gross profit margin of the Group was 29.42%, representing an increase of 0.01 percentage point compared to 29.41% in the same period of 2020.'*
- *'Profit for the Reporting Period amounted to RMB68.9 million, representing an increase of 68.5% as compared with the six months ended 30 June 2020.'*
- *'Profit for the Reporting Period attributable to owners of the Company amounted to RMB66.5 million, representing an increase of 73.3% as compared with the six months ended 30 June 2020.'*
- *'Gearing ratio decreased by 53.6% from 15.3% as at 31 December 2020 to 7.1% as at 30 June 2021.'*

Then, at Page 28 of the Interim Results, one was informed of the following:

'LIQUIDITY AND FINANCIAL RESOURCES

'As at 30 June 2021, the Group's net current assets amounted to RMB107.6 million (31 December 2020: RMB41.8 million). Specifically, the Group's total current assets increased by approximately 15.4% from RMB403.3 million as at 31 December 2020 to RMB465.4 million as at 30

June 2021. The Group's total current liabilities decreased by 1.0% from RMB361.5 million as at 31 December 2020 to RMB357.9 million as at 30 June 2021. The increase in the Group's total current assets was primarily attributable to the increase in amounts due from third parties by 124.5% from RMB52.6 million as at 31 December 2020 to RMB118.1 million as at 30 June 2021.

'As at 30 June 2021, the Group had cash and bank balances of RMB218.6 million (31 December 2020: RMB249.2 million), with no borrowings (31 December 2020: Nil).'

And, then, at Page 29 of the Interim Results, one was informed:

'PLEDGE OF ASSETS

'As at 30 June 2021, none of the assets of the Group were pledged.'

The Global Offering Of Ronshine Service Holding Company Ltd

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