

[For Immediate Release]

Yuexiu Property Announces 2022 Interim Results
Core net profit increased 1.4% YOY Contracted sales achieved steady growth

- Revenue was approximately RMB31.29 billion, representing a year-on-year increase of 29.1%.
- Core net profit was approximately RMB2.13 billion, representing a year-on-year growth of 1.4%.
- Contracted sales value (including contracted sales by joint venture projects and associates) was approximately RMB48.91 billion, with a year-on-year increase of 3.2%. Contracted sales value was approximately RMB29.34 billion in Guangzhou, with a year-on-year growth of 10.4%.
- Continued to optimize the “1+4” regional layout by expanding into Hefei and entering a total of 30 cities across China. The Group acquired 16 new land parcels in seven cities with a total GFA of approximately 3.46 million sq.m. through the “6+1” unique and diversified land acquisition platform. Five of these new land parcels are in Guangzhou, with a total GFA of approximately 1.26 million sq.m..
- The Group’s total land bank reached approximately 28.60 million sq.m., of which approximately 15.12 million sq.m. is located in the Greater Bay Area, accounting for approximately 52.9% of the total land bank.
- The Group achieved new breakthroughs in the national expansion of the transit-oriented development (TOD) model by securing first TOD project outside the Greater Bay Area. The Group added two TOD projects, namely the Haizhu Pazhou South TOD Project in Guangzhou and the Gouzhuang TOD project in Hangzhou, during the year, with a total GFA of approximately 800,000 sq.m.. As at 30 June, the total land bank of TOD projects was 3.59 million sq.m., accounting for approximately 12.6% of the total land bank.
- The Group’s “Three Red Lines” indicators maintained “Green Lights” status. Total liabilities/total assets ratio (excluding unearned revenue), net gearing ratio and cash/short-term debt ratio were 69.4%, 59.7% and 1.45 times respectively, reflecting a sound financial status
- The Group continued to improve the debt structure and financing costs with diversified financing channels. The Group issued a total of RMB6.15 billion

worth of onshore corporate bonds. The “3+2” year annual coupon rates range from 2.84% to 2.90%, and the “5+2” year annual coupon rates range from 3.35% to 3.38%. Average cost of borrowing decreased by 34 basis points year-on-year to 4.11%.

- The Board recommends an interim dividend of RMB0.275 per share (equivalent to HKD0.319 per share) for 2022, representing a year-on-year increase of 1.5% in terms of RMB. The dividend payout ratio based on core net profit remained stable at 40%.

(Hong Kong, 18 August 2022) - **Yuexiu Property Company Limited** (“Yuexiu Property” or the “Company”; together with its subsidiaries, the “Group”, Stock Code: 00123) has announced its interim results for [the six months] ended 30 June 2022.

Continuous and steady growth in operating results

In the first half of the year, the Group focused on pursuing steady growth with sound management and three new capabilities as drivers, strived to overcome the challenges brought by the resurgence of the pandemic and economic downturn, and adopted proactive and precise operational strategies to achieve steady development of various businesses.

For the first six months of the year, the Group realized revenue of approximately RMB31.29 billion, representing a year-on-year increase of 29.1%. Core net profit was approximately RMB2.13 billion, representing a year-on-year growth of 1.4%. The Board recommends an interim dividend of RMB0.275 per share (equivalent to HKD0.319 per share) for 2022, representing a year-on-year increase of 1.5% in terms of RMB. The dividend payout ratio based on core net profit remained stable at 40%.

Contracted sales achieved growth in an adverse environment

In the face of the strong wait-and-see sentiment in the market brought by the resurgence of the pandemic and the economic downturn, the Group implemented precise marketing strategies and strengthened the integration of its online and offline marketing channels. The Group formulated the marketing strategy based on the principles of “one city, one policy” and “one project, one policy” in accordance with the regulatory policies and market changes in the cities entered, which resulted in a growth in contracted sales despite the adverse environment and recorded one of the highest growth rates of contracted sales among the industry.

During the first half of the year, the Group recorded contracted sales (including contracted sales of joint venture projects and associates) of approximately RMB48.91 billion, representing a year-on-year increase of 3.2%, with average selling price at approximately RMB27,500 per sq.m., representing a year-on-year growth of 4.2%. In the first half of the year, the Group achieved contracted

sales of RMB29.34 billion in Guangzhou, accounting for 60.0% of the Group's total contracted sales.

Prudent investment and diversified land acquisition

In the first half of the year, the Group leveraged its distinctive “6+1” diversified land acquisition platform, proactively studied the changes and impacts in land market policies, strengthened research on local markets, and formulated corresponding investment strategies. The Group also adhered to the prudent investment strategies of “one city, one policy”, “steady investment in line with sales cash inflows” and focused on the “1+4” regional layout. The Group acquired 16 new land parcels in Guangzhou, Foshan, Zhongshan, Hangzhou, Hefei, Zhengzhou and Changsha at a reasonable premium, with a total GFA of approximately 3.46 million sq.m. TOD, industry-driven acquisition and SOE cooperation models accounted for 23.2%, 4.4%, and 27.0% of new land reserves, respectively.

The Group entered Hefei during the first half of the year and continued to deepen the implementation of the “1+4” national strategic layout, cultivated the Greater Bay Area and focused on its development in Eastern China, Central China, Northern China and Western China. As of 30 June 2022, the Group's total land bank amounted to approximately 28.60 million sq.m. in 30 cities across China. The Greater Bay Area accounted for approximately 52.9% of the total land bank.

New breakthroughs in the national expansion of TOD

In the first half of the year, the Group acquired TOD projects in cities outside the Greater Bay Area for the first time, achieving a new breakthrough in the national expansion of the Group's TOD model. The Group acquired the Pazhou South TOD Project in Haizhu, Guangzhou and the Gouzhuang TOD Project in Hangzhou, adding 800,000 sq.m. to the TOD land bank. As of 30 June 2022, the Group had eight TOD projects with a total land bank of 3.59 million sq.m., representing around 12.6% of the Group's total land bank.

The Group's TOD projects recorded a stable sales performance, with total contracted sales value of approximately RMB12.07 billion in the first half of the year, of which the Pazhou South TOD project achieved RMB5.79 billion, Yue Melody TOD achieved approximately RMB3.01 billion, and Yue Infinity TOD achieved approximately RMB1.28 billion.

Sound and safe financial position

The Group maintained a healthy financial position with sufficient liquidity. As of 30 June 2022, the Group's cash and cash equivalents and charged bank deposits amounted to approximately RMB39.05 billion with adequate liquidity. The Group maintained green light status under the “Three Red Lines” for all of its indicators, with the total liabilities to total assets ratio (excluding unearned revenue), net gearing ratio and cash to short-term debt ratio amounting to 69.4%, 59.7% and 1.45 times, respectively.

The Group actively expanded its financing channels, strengthened capital management and continued to reduce funding costs. In the first half of 2022, the Group successfully issued onshore corporate bonds of RMB6.15 billion. The “3+2” year annual coupon rates range from 2.84 to 2.90%, and the “5+2” year annual coupon rates range from 3.35 to 3.38%. The Group’s average cost of borrowing decreased by 34 basis points year-on-year to 4.11%. The Group continued to maintain its Moody’s and Fitch investment grade credit ratings with a “stable” outlook.

Mr. Lin Zhaoyuan, Chairman of the Group, said, “2022 is a critical year for the implementation of the ‘14th Five-Year Plan’ for the Group. With ‘sound and efficient management’ and ‘New Capabilities, New Mechanisms and New Cultures’ as the new development objectives and driving forces, the Group will pursue sustainable and steady development in the new landscape of the industry. Following the path of high-quality, continuous and stable development, the Group will endeavor to improve the return on shareholders’ capital and shareholder value.”

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Disclaimer

The above-mentioned data are based on the summary of internal information of the Company, which may differ from figures to be disclosed in the audited or unaudited consolidated financial statements to be published by the Company on an annual or semi-annual basis due to various uncertainties during the process of collection and collating of such information. As such, the above data are provided for investors' reference only. Investors are advised to exercise caution and not to place undue reliance on such information when dealing in the securities of the Company. When in doubt, investors are advised to seek professional advice from professional or financial advisers.

About Yuexiu Property

Yuexiu Property Company Limited (HKEX Stock Code: 00123) was established in 1983 and was listed in Hong Kong in December 1992. Its mainstay business is property development and investment. To fulfil its mission of "Where Good Living Starts", the Group has deployed in 30 cities across the country for business development. It has built business presence mainly in the Greater Bay Area, Eastern China Region, Central China Region, Northern China Region and Western China Region. As at 30 June 2022, the Group had total assets of approximately RMB321.0 billion and a total landbank of approximately 28.60 million sq.m. Yuexiu Property adheres to its core values of "Quality, Responsibility, Innovation, and Mutual Benefits" and aspires to become a leading property developer in China.

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