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**CIFI Holdings (Group) Co. Ltd.**  
**旭輝控股(集團)有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 00884)**

**ANNOUNCEMENT OF ANNUAL RESULTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**2018 RESULTS HIGHLIGHTS**

- Contracted sales increased by 46.2% to RMB152.0 billion
- Recognized revenue increased by 33.1% to RMB42,368 million
- Core net profit increased by 35.6% to RMB5,536 million
- Gross profit margin (adjusted\*) and core net profit margin at 34.7% and 13.1% respectively; core return on average equity at 23.8%
- Proposed final dividend of RMB19.68 cents (equivalent to HK23 cents) per share (payable in cash with scrip option) in aggregate with the interim dividend paid of RMB6.09 cents (equivalent to HK7 cents), total dividends of RMB25.77 cents (equivalent to HK30 cents) per share
- Net debt-to-equity ratio of 67.2%, cash on hand of RMB44.6 billion as at 31 December 2018
- Weighted average cost of indebtedness 5.8% as at 31 December 2018

\* *excluding the accounting effects due to financial consolidation of certain projects as subsidiaries of the Group*

## ANNUAL RESULTS

The Board of Directors (the “Board”) of CIFI Holdings (Group) Co. Ltd. (the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2018 with comparative figures for the preceding financial year, are as follows:

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

		2018	2017
	NOTES	RMB'000	RMB'000
<b>Revenue</b>	2	<b>42,367,647</b>	31,824,288
Cost of sales and services		<b>(31,754,818)</b>	(23,202,799)
<b>Gross profit</b>		<b>10,612,829</b>	8,621,489
Other income, gains and losses	3	<b>2,065,884</b>	795,935
Change in fair value of investment properties		<b>106,385</b>	657,791
Selling and marketing expenses		<b>(1,153,089)</b>	(609,505)
Administrative expenses		<b>(2,121,731)</b>	(1,267,838)
Share of results of joint ventures		<b>725,068</b>	1,405,864
Share of results of associates		<b>1,450,388</b>	699,766
Finance costs	4	<b>(368,741)</b>	(262,340)
<b>Profit before taxation</b>		<b>11,316,993</b>	10,041,162
<b>Income tax expense</b>	5	<b>(4,198,668)</b>	(3,892,645)
<b>Profit for the year</b>	6	<b>7,118,325</b>	6,148,517
<b>Other comprehensive income:</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Fair value gain on investments in equity instruments at fair value through other comprehensive income		<b>312,665</b>	–
Income tax relating to items that will not be reclassified		<b>(186)</b>	–
		<b>312,479</b>	–
<b>Total comprehensive income for the year</b>		<b>7,430,804</b>	6,148,517
Profit for the year attributable to:			
Equity owners of the Company		<b>5,408,991</b>	4,828,105
Owners of perpetual capital instruments		<b>215,078</b>	–
Non-controlling interests		<b>1,494,256</b>	1,320,412
		<b>7,118,325</b>	6,148,517

		<u>2018</u>	<u>2017</u>
	<i>NOTE</i>	<i>RMB'000</i>	<i>RMB'000</i>
Total comprehensive income			
for the year attributable to:			
Equity owners of the Company		<b>5,721,470</b>	4,828,105
Owners of perpetual capital instruments		<b>215,078</b>	–
Non-controlling interests		<b>1,494,256</b>	1,320,412
		<b><u>7,430,804</u></b>	<b><u>6,148,517</u></b>
<b>Earnings per share, in RMB:</b>			
<b>Basic</b>	8	<b><u>0.70</u></b>	<b><u>0.68</u></b>
<b>Diluted</b>	8	<b><u>0.68</u></b>	<b><u>0.66</u></b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AT 31 DECEMBER 2018**

		2018	2017
	NOTES	<u>RMB'000</u>	<u>RMB'000</u>
<b>NON-CURRENT ASSETS</b>			
Investment properties		16,147,400	14,402,350
Property, plant and equipment		134,143	84,981
Prepaid lease payments		–	32,742
Interests in associates		5,779,492	2,823,602
Interests in joint ventures		8,511,247	5,802,549
Investments in property projects		582,722	622,143
Available-for-sale investments (“AFS”)		–	623,630
Financial assets at fair value through profit or loss (“FVTPL”)		564,553	–
Equity instruments at fair value through other comprehensive income (“FVTOCI”)		919,274	–
Deferred taxation assets		1,021,876	502,637
Deposits paid for acquisitions of equity interests		50,000	641,496
Long-term deposit		–	150,000
		<u>33,710,707</u>	<u>25,686,130</u>
<b>CURRENT ASSETS</b>			
Properties held for sale		10,238,165	9,128,504
Properties under development for sale		84,137,912	34,603,171
Accounts and other receivables, deposits and prepayments	9	16,740,132	10,807,957
Amounts due from non-controlling interests		13,416,613	10,337,802
Amounts due from joint ventures and associates		27,798,425	17,451,791
Deposits for land use rights for properties held for sale		7,950,061	12,409,188
Taxation recoverable		1,746,262	1,024,871
Financial assets at FVTPL		705,386	521,250
Restricted bank deposits		1,290,000	–
Bank balances and cash		43,327,561	29,786,870
		<u>207,350,517</u>	<u>126,071,404</u>
<b>CURRENT LIABILITIES</b>			
Accounts and other payables and accrued charges	10	25,888,004	13,602,467
Deposits received from property sales		44,238,431	25,548,720
Amounts due to non-controlling interests		16,571,325	12,842,576
Amounts due to joint ventures and associates		15,519,116	10,741,602
Taxation payable		7,655,950	4,295,642
Bank and other borrowings – due within one year		8,842,371	6,727,108
Corporate bonds – due within one year		3,646,140	5,093,233
Derivative financial instruments		74,949	333,193
Debt component of convertible bonds		907,724	–
		<u>123,344,010</u>	<u>79,184,541</u>
<b>NET CURRENT ASSETS</b>		<u>84,006,507</u>	<u>46,886,863</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>117,717,214</u>	<u>72,572,993</u>

	<u>2018</u>	<u>2017</u>
	<i>RMB'000</i>	<i>RMB'000</i>
<b>CAPITAL AND RESERVES</b>		
Share capital	<b>626,271</b>	611,951
Reserves	<b>24,977,825</b>	20,291,647
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Equity attributable to equity owners of the Company	<b>25,604,096</b>	20,903,598
Perpetual capital instruments	<b>3,883,572</b>	3,847,932
Non-controlling interests	<b>19,958,503</b>	9,518,610
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<b>TOTAL EQUITY</b>	<b>49,446,171</b>	34,270,140
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<b>NON-CURRENT LIABILITIES</b>		
Bank and other borrowings – due after one year	<b>41,061,189</b>	26,385,907
Senior notes	<b>15,293,614</b>	4,498,124
Corporate bonds – due after one year	<b>8,113,997</b>	4,534,737
Deferred taxation liabilities	<b>3,802,243</b>	2,884,085
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	<b>68,271,043</b>	38,302,853
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	<b>117,717,214</b>	72,572,993
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
*FOR THE YEAR ENDED 31 DECEMBER 2018*

**1. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)**

**New and Amendments to IFRSs that are mandatorily effective for the current year**

The Group had applied the following new and amendments to IFRSs issued by the International Accounting Standards Board (“IASB”) for the first time in the current year:

IFRS 9	Financial Instruments
IFRS 15	Revenue from Contracts with Customers and the related Amendments
IFRIC 22	Foreign Currency Transactions and Advance Consideration
Amendments to IFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to IFRS 4	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts
Amendments to IAS 28	As part of the Annual Improvements to IFRSs 2014–2016 Cycle
Amendments to IAS 40	Transfers of Investment Property

Except as described below, the application of the new and amendments to IFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

**1.1 IFRS 15 “Revenue from Contracts with Customers”**

The Group has applied IFRS 15 for the first time in the current year. IFRS 15 superseded IAS 18 “Revenue”, IAS 11 “Construction Contracts” and the related interpretations.

The Group has applied IFRS 15 retrospectively with the cumulative effect of initially applying this standard recognised at the date of initial application, 1 January 2018. Any difference at the date of initial application is recognised in the opening retained profits (or other components of equity, as appropriate) and comparative information has not been restated. Furthermore, in accordance with the transition provisions in IFRS 15, the Group has elected to apply the standard retrospectively only to contracts that are not completed at 1 January 2018. Accordingly, certain comparative information may not be comparable as comparative information was prepared under IAS 18 “Revenue” and IAS 11 “Construction Contracts” and the related interpretations.

The Group recognises revenue under IFRS 15 from the following major sources:

- Sales of properties; and
- Project management services.

Taking into account the changes in accounting policy arising from initial application of IFRS 15, the directors of the Company considered that the initial application of IFRS 15 has no material impact to the consolidated financial statements of the Group.

## 1.2 IFRS 9 “Financial Instruments”

In the current year, the Group has applied IFRS 9 “Financial Instruments” and the related consequential amendments to other IFRSs. IFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) expected credit loss (“ECL”) for financial assets and financial guarantee contracts and 3) general hedge accounting.

The Group has applied IFRS 9 in accordance with the transition provisions set out in IFRS 9, i.e. applied the classification and measurement requirements (including impairment under ECL model) retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018. The difference between carrying amounts as at 31 December 2017 and the carrying amounts as at 1 January 2018 are recognised in the opening retained profits and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under IAS 39 “Financial Instruments: Recognition and Measurement”.

### *Summary of effects arising from initial application of IFRS 9*

The table below illustrates the classification and measurement of financial assets under IFRS 9 and IAS 39 at the date of initial application, 1 January 2018.

	<b>Available- for-sale investments</b>	<b>Equity instruments at FVTOCI</b>	<b>FVTOCI reserve</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>Closing balance at 31 December 2017 – IAS 39</b>	623,630	–	–
<b>Effect arising from initial application of IFRS 9:</b>			
<b>Reclassification</b>			
From available-for-sale investments	(623,630)	623,630	–
<b>Remeasurement</b>			
From cost less impairment to fair value	–	95,445	95,445
<b>Opening balance at 1 January 2018 – IFRS 9</b>	<u>–</u>	<u>719,075</u>	<u>95,445</u>

## 1.3 Amendments to IAS 40 “Transfers of Investment Property”

The amendments clarify that a transfer to, or from, investment property necessitates an assessment of whether a property meets, or has ceased to meet, the definition of investment property, supported by evidence that a change in use has occurred. The amendments further clarify that situations other than the ones listed in IAS 40 may evidence a change in use, and that a change in use is possible for properties under construction (i.e. a change in use is not limited to completed properties).

At the date of initial application, the Group assessed the classification of certain properties based on conditions existed at that date. There is no impact to the classification at 1 January 2018.

## New and amendments to IFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to IFRSs that have been issued but are not yet effective:

IFRS 16	Leases <sup>1</sup>
IFRS 17	Insurance Contracts <sup>3</sup>
IFRIC 23	Uncertainty over Income Tax Treatments <sup>1</sup>
Amendments to IFRS 3	Definition of a Business <sup>4</sup>
Amendments to IFRS 9	Prepayment Features with Negative Compensation <sup>1</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>2</sup>
Amendments to IAS 1 and IAS 8	Definition of Material <sup>5</sup>
Amendments to IAS 19	Plan Amendment, Curtailment or Settlement <sup>1</sup>
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures <sup>1</sup>
Amendments to IFRSs	Annual Improvements to IFRSs 2015–2017 Cycle <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2019

<sup>2</sup> Effective for annual periods beginning on or after a date to be determined

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2021

<sup>4</sup> Effective for business combination and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020

<sup>5</sup> Effective for annual periods beginning on or after 1 January 2020

## 2. SEGMENT INFORMATION

The Group determines its operating segments based on internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (being the executive directors of the Company) in order to allocate resources to the segment and to assess its performance.

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of performance is focused on three main operations:

- Sales of properties: this segment represents the development and sales of office and commercial premises and residential properties. Substantially most of the Group's activities in this regard are primarily carried out in the PRC and Hong Kong.
- Property investment: this segment represents the lease of investment properties, which are developed or purchased by the Group to generate rental income and to gain from the appreciation of the properties' values in the long term. Currently, the Group's investment property portfolio is located entirely in the PRC.
- Project management and other property related services: this segment mainly represents the income generated from project management. Currently, the Group's activities in this regard are carried out in the PRC.



The chief operating decision maker regularly reviews the operating results under sales of properties, property investment, project management and other property related services. As property development projects are primarily located in the PRC and Hong Kong, their revenue are primarily derived from the sales of properties, and is related and subject to common risk and returns. All property development projects are aggregated into a single reportable segment, sales of properties, in accordance with IFRS 8 “Operating Segments”.

**(a) Segment revenue and profit**

Information regarding the Group’s reportable segments as provided to the Group’s chief operating decision maker for the purposes of resource allocation and assessment of segment performance for the year is set out below.

	<u>Sales of properties</u>	<u>Property investment</u>	<u>Project management and other property related services</u>	<u>Total</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>Year ended 31 December 2018</b>				
Reportable segment revenue from external customers	<u>39,014,007</u>	<u>236,978</u>	<u>3,116,662</u>	<u>42,367,647</u>
Reportable segment profit	<u>8,120,242</u>	<u>153,956</u>	<u>1,185,542</u>	<u>9,459,740</u>
	<u>Sales of properties</u>	<u>Property investment</u>	<u>Project management and other property related services</u>	<u>Total</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>Year ended 31 December 2017</b>				
Reportable segment revenue from external customers	<u>30,295,062</u>	<u>94,428</u>	<u>1,434,798</u>	<u>31,824,288</u>
Reportable segment profit	<u>7,221,874</u>	<u>57,488</u>	<u>732,622</u>	<u>8,011,984</u>

**(b) Segment assets and liabilities**

No assets and liabilities are included in the measures of the Group’s segment reporting that are used by the chief operating decision maker. Accordingly, no segment assets and liabilities are presented.

(c) **Reconciliations of reportable segment revenue and profit**

The reportable segment profit represents the results by each segment without including any effect of allocation of other income, gains and losses earned from operations other than the Group's main operations, unallocated head office and corporate expenses, depreciation of property, plant and equipment, write-back of allowance for credit losses, change in fair value of investment properties, finance costs and share of results of joint ventures and associates. This is the measurement basis reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

	<u>2018</u>	<u>2017</u>
	<i>RMB'000</i>	<i>RMB'000</i>
<b>Revenue</b>		
Reportable segment and consolidated revenue	<u>42,367,647</u>	<u>31,824,288</u>
<b>Profit</b>		
Reportable segment profit	9,459,740	8,011,984
Other income, gains and losses	2,065,884	795,935
Change in fair value of investment properties	106,385	657,791
Finance costs	(368,741)	(262,340)
Share of results of joint ventures	725,068	1,405,864
Share of results of associates	1,450,388	699,766
Depreciation of property, plant and equipment	(30,700)	(17,394)
Write-back of allowance for credit losses	118	746
Unallocated head office and corporate expenses	<u>(2,091,149)</u>	<u>(1,251,190)</u>
Consolidated profit before taxation	<u>11,316,993</u>	<u>10,041,162</u>

(d) **Geographic information**

No geographic information has been presented as the Group's operating activities are primarily carried out in the PRC and Hong Kong. All of the Group's revenue from current and non-current assets are located in the PRC.

(e) **Major customers**

No revenue from transactions with a single external customer amounted to 10% or more of the Group's revenue.

### 3. OTHER INCOME, GAINS AND LOSSES

	<u>2018</u>	<u>2017</u>
	<i>RMB'000</i>	<i>RMB'000</i>
Interest income	493,498	372,244
Gain on remeasurement	903,376	574,305
Gain from business combinations	–	200,030
Gain on disposal of property, plant and equipment, net	607	8,285
Gain on disposal of subsidiaries, net	434,924	34,675
Gain on disposal of an associate	25,671	–
Gain on deemed disposal of subsidiaries	–	1,206
Government grants	20,949	31,483
Forfeited deposits paid by purchasers	34,956	14,839
Loss on early redemption of senior notes	–	(118,464)
Change in fair value of financial assets at FVTPL	72,196	(94,726)
Dividend income from financial assets at FVTPL	15,780	11,284
Change in fair value of derivative financial instruments	14,948	(538,733)
Change in fair value of investments in property projects	247,618	144,699
Dividend income from investments in property projects	215,365	–
Change in fair value of derivative component of convertible bonds	99,182	–
Net exchange (loss) gain	(575,387)	108,413
Sundry income	62,201	46,395
	<u>2,065,884</u>	<u>795,935</u>

### 4. FINANCE COSTS

	<u>2018</u>	<u>2017</u>
	<i>RMB'000</i>	<i>RMB'000</i>
Interest on bank and other borrowings	(2,809,857)	(1,487,465)
Interest expense on senior notes	(853,797)	(356,203)
Interest expense on corporate bonds	(614,757)	(467,105)
Interest expense on convertible bonds	(110,152)	–
Less: Amount capitalised to properties under development for sale and investment properties under construction	4,019,822	2,048,433
	<u>(368,741)</u>	<u>(262,340)</u>

Borrowing costs capitalised to properties under development for sale and investment properties under construction were determined by the contracted interest rates of respective bank and other borrowings, senior notes, corporate bonds and convertible bonds.

## 5. INCOME TAX EXPENSE

	<u>2018</u>	<u>2017</u>
	<i>RMB'000</i>	<i>RMB'000</i>
PRC Enterprise Income Tax		
Current year	(3,436,417)	(2,198,836)
Over (under) provision in respect of prior years	52,872	(54,413)
LAT	<u>(3,676,467)</u>	<u>(2,123,944)</u>
	(7,060,012)	(4,377,193)
Deferred taxation	<u>2,861,344</u>	<u>484,548</u>
	<u>(4,198,668)</u>	<u>(3,892,645)</u>

## 6. PROFIT FOR THE YEAR

	<u>2018</u>	<u>2017</u>
	<i>RMB'000</i>	<i>RMB'000</i>
Profit for the year has been arrived at after charging (crediting):		
Auditors' remuneration	7,937	7,000
Cost of properties sold included in cost of sales and services	29,632,352	22,395,651
Depreciation of property, plant and equipment	30,700	17,394
Write-back of allowance for credit losses	(118)	(746)
Operating lease rentals in respect of land and buildings	81,089	85,026
Directors' emoluments	41,579	40,088
Other staff costs		
Staff costs excluding retirement benefit costs	2,070,899	969,313
Retirement benefit contributions	98,002	60,011
Equity-settled share-based payments	<u>67,524</u>	<u>33,916</u>
Total other staff costs	2,236,425	1,063,240
Less: Amount capitalised to properties under development for sale	<u>(439,472)</u>	<u>(189,927)</u>
	<u>1,796,953</u>	<u>873,313</u>
Rental income from investment properties	(236,978)	(94,428)
Less: Related outgoings	<u>83,022</u>	<u>36,940</u>
	<u>(153,956)</u>	<u>(57,488)</u>

## 7. DIVIDEND

	<u>2018</u>	<u>2017</u>
	<i>RMB'000</i>	<i>RMB'000</i>
Proposed final dividend – RMB19.68 cents (2017: RMB14.54 cents) per ordinary share	<u>1,524,157</u>	<u>1,105,840</u>

The Board recommends the payment of a final dividend for 2018 of RMB19.68 cents (equivalent to HK23 cents) (2017: RMB14.54 cents (equivalent to HK18 cents)) per share (the “Proposed Final Dividend”). The Proposed Final Dividend for the year in aggregate with the interim dividend of RMB6.09 cents (equivalent to HK7 cents) per share paid in respect of the first six months of the year amounted to total dividends of RMB25.77 cents (equivalent to HK30 cents) per share. The Proposed Final Dividend will be either payable in cash or, at the scrip option of the shareholders, in form of new fully paid scrip shares of the Company in lieu of cash, or partly in cash and partly in scrip shares.

The Proposed Final Dividend for the year ended 31 December 2018 is subject to the approval of the Company’s shareholders at the forthcoming annual general meeting.

## 8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	<u>2018</u>	<u>2017</u>
	<i>RMB'000</i>	<i>RMB'000</i>
<b>Earnings</b>		
Earnings for the purpose of basic earnings per share (profit for the year attributable to owners of the Company)	5,408,991	4,828,105
Effect of dilutive potential ordinary shares on convertible bonds	<u>84,120</u>	<u>–</u>
Earnings for the purpose of diluted earnings per share	<u>5,493,111</u>	<u>4,828,105</u>
	<u>2018</u>	<u>2017</u>
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	7,699,329,708	7,081,999,684
Effect of dilutive potential ordinary shares on:		
– share options	132,516,045	196,994,925
– convertible bonds	<u>252,741,830</u>	<u>–</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>8,084,587,583</u>	<u>7,278,994,609</u>

The weighted average number of ordinary shares shown above has been arrived at after deducting the shares held by the trustee of the share award scheme.

## 9. ACCOUNTS AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

Trade receivables mainly arise from the sales of properties and rental income. Considerations in respect of properties sold are paid in accordance with the terms of the related sales and purchase agreements, normally with a range of 60 days to 180 days from the date of agreement. Rental income is paid by tenants within two months in accordance to tenancy agreement.

	<b>2018</b>	2017
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Trade receivables	<b>647,233</b>	638,490
Less: Allowance for credit losses	<b>(1,768)</b>	(1,877)
	<b>645,465</b>	636,613
Other receivables	<b>13,015,378</b>	8,084,141
Less: Allowance for credit losses	<b>(3,230)</b>	(3,240)
	<b>13,012,148</b>	8,080,901
Prepaid tax	<b>1,431,679</b>	327,477
Deposits and prepayments	<b>1,650,840</b>	1,762,966
	<b>16,740,132</b>	10,807,957

The following is an aged analysis of trade receivables, based on the date of agreement and net of allowance, at the end of the reporting period:

	<b>2018</b>	2017
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Within 60 days	<b>333,073</b>	309,973
61–180 days	<b>27,296</b>	102,557
181–365 days	<b>175,857</b>	98,432
Over 1 year	<b>109,239</b>	125,651
	<b>645,465</b>	636,613

Before accepting any corporate customer, the Group uses an internal credit assessment system to assess the potential customers' credit quality.

## 10. ACCOUNTS AND OTHER PAYABLES AND ACCRUED CHARGES

	<u>2018</u>	<u>2017</u>
	<i>RMB'000</i>	<i>RMB'000</i>
Accounts payables	<b>10,306,115</b>	4,739,387
Other payables and accrued charges	<b>13,456,174</b>	7,294,946
Other tax payable	<b>2,125,715</b>	1,568,134
	<b><u>25,888,004</u></b>	<b><u>13,602,467</u></b>

Accounts payables and accrued expenditure on construction comprise construction costs and other project-related expenses which are payable based on project progress measured by the Group.

The average credit period of trade payables is 60 days. The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

The following is an aged analysis of accounts payables, based on the invoice date, at the end of the reporting period:

	<u>2018</u>	<u>2017</u>
	<i>RMB'000</i>	<i>RMB'000</i>
Within 60 days	<b>4,541,519</b>	2,154,099
61–180 days	<b>1,573,464</b>	470,202
181–365 days	<b>2,128,060</b>	764,575
Over 1 year	<b>2,063,072</b>	1,350,511
	<b><u>10,306,115</u></b>	<b><u>4,739,387</u></b>

## **CHAIRMAN'S STATEMENT**

Dear shareholders:

I am pleased to present to you the business review of the Group for the year ended 31 December 2018, and the outlook for 2019.

### **Final dividend**

The Board recommends the payment of a final dividend for 2018 (payable in cash with a scrip option) of RMB19.68 cents per share (the "Proposed Final Dividend"). The Proposed Final Dividend declared in RMB is proposed to be paid in Hong Kong dollars equivalent to HK23 cents per share, which is based on the average middle rate of RMB to Hong Kong dollars as announced by the People's Bank of China for the five business days preceding the date of the annual results announcement for the year ended 31 December 2018 (the "Annual Results Announcement for 2018"). The Company paid an interim dividend ("Interim Dividend") of RMB6.09 cents per share (or HK7 cents per share) in respect of the first six months of 2018.

Together with the Interim Dividend and based on the total outstanding number of issued shares of the Company as at the date of the Annual Results Announcement for 2018, the total dividends for the year under review amounted to approximately RMB2,004.1 million, representing a year-on-year increase of 40.1% over RMB1,430.3 million in 2017.

### **Results**

For the year ended 31 December 2018, the Group achieved contracted sales of RMB152.0 billion, representing a year-on-year increase of 46.2% from RMB104.0 billion in 2017. The contracted sales achieved in 2018 exceeded the Group's full year contracted sales target of RMB140.0 billion by 8.6%.

The recognized revenue in 2018 was RMB42,367.6 million, representing a year-on-year increase of 33.1% over RMB31,824.3 million in 2017. The Group's net profit attributable to equity owners increased by 12.0% to RMB5,409.0 million in 2018 from RMB4,828.1 million in 2017. The Group's core net profit attributable to equity owners increased by 35.6% to approximately RMB5,535.6 million in 2018 from RMB4,082.4 million in 2017.

The Group's gross profit margin was 34.7% in 2018 (adjusted to exclude the effects of accounting treatment due to financial consolidation of certain projects as subsidiaries of the Group), versus 29.7% in 2017. The Group's core net profit margin was 13.1% in 2018, versus 12.8% in 2017. The Group delivered a core return on average equity of 23.8% in 2018, versus 22.8% in 2017.



## **Review of 2018**

### ***Market review***

In 2018, despite that China's real estate market continued its surges in both overall transaction volume and price, market sentiment reversed dramatically due to real estate austerity measures and liquidity headwinds. According to the China National Bureau of Statistics, during 2018, transaction volume of commodity housing was 1.72 billion sq.m., representing a year-on-year increase of 1.3%; while sales of commodity properties housing were RMB15.00 trillion, which rose by 12.2% on a year-on-year basis.

Since early 2018, the central government has repeatedly reiterated the real estate policy tone that "homes are for living, not for speculation". More local governments have further intensified restrictions on home purchases, mortgage loans, property pre-sale prices and resale after primary purchase, with significantly more stringent measures in stronger-tier cities. Bank liquidity related to real estate sales further tightened which affected mortgage lending and increased interest costs.

Real estate sales in different regions and tiers of cities became increasingly divided in 2018. The transaction volume in first-tier cities continued to shrink but has tended to stabilize, while the transaction volumes in second-tier and strong third-tier cities cooled down but were very uneven depending on the city, and volume in other third- and lower-tier cities outperformed in the first-half of the year but slowed down dramatically in the second-half as demand was fatigued by rising home prices. Overall, China's real estate markets corrected noticeably in 2018 with developers adopting more flexible pricing strategies since mid-2018 in order to achieve the desired sell-through.

In light of such market sentiment in 2018, large-scale national real estate developers with massive saleable resources diversified their projects, which are widely spread across different tiers of city and geographical regions of China. They have demonstrated their resilience against a challenging policy environment and outperformed their smaller and regional peers. While small and medium-sized developers suffered from intensified real estate control measures and tightened liquidity, large-scale developers are less affected due to their competitive edges in funding channels and counter-risk abilities. Market consolidation and concentration in favour of large-scale developers further accelerated.

### ***Sales performance***

Due to its abundant and diversified saleable resources across different regions and cities, the Group achieved contracted sales and contracted gross floor area ("GFA") of RMB152.0 billion and 9,569,400 sq.m. respectively in 2018, representing a year-on-year growth of 46.2% and 52.1% respectively. As a result of the diversification featuring more lower-tier cities, the Group's contracted average selling price ("ASP") in 2018 was approximately RMB15,900/sq.m., compared to approximately RMB16,530/sq.m. in 2017. The Group achieved a cash collection ratio of over 85% from contracted sales in 2018.

The Group's contracted sales in 2018 were dispersed among over 195 projects in 44 cities. In 2018, the Group launched pre-sale of 50 new projects, including the following major new launches:

- Hangzhou CIFI Ronchamp County
- Hangzhou CIFI Dongyuan Majestic Mansion
- Hangzhou CIFI Prime Land
- Hangzhou CIFI Xianghu Glory
- Wenzhou CIFI Oujiang World's Metropolis
- Wenzhou CIFI GLORY Mansion
- Wenzhou CIFI Future City
- Wenzhou TOD International New Town
- Ningbo CIFI Powerlong Sanjiang Palace
- Ningbo CIFI Landscape Poetry
- Nanchang CIFI Lingyun Mansion
- Hefei CIFI Park Palace
- Suzhou CIFI Kuan yue
- Wuxi CIFI Chengqing Mansion
- Changzhou CIFI Park Mansion
- Chongqing CIFI Panorama
- Chongqing CIFI Waves River
- Guiyang CIFI Skyline
- Beijing CIFI Wise Mansion
- Beijing City of CIFI
- Beijing CIFI Lakeside Mansion
- Beijing CIFI Joy Palace
- Jinan Zhonglu Mansion
- Jinan CIFI Yinshengtai Jinyu Lanshan
- Qingdao CIFI Yinshengtai Starry City
- Qingdao CIFI Yinshengtai Zhengyang Mansion
- Qingdao CIFI Yinshengtai Boguanxinghai
- Qingdao CIFI Yinshengtai Xiangjiang Mansion
- Qingdao CIFI Yinshengtai Boguanjinan
- Shanghai Xinzhuang Center
- Shanghai CIFI La Baie D'Evian
- Wuhan CIFI Jiangxia Palace
- Wuhan CIFI Yangtze River Mansion
- Guangzhou CIFI Flowers Bay
- Nanjing CIFI Times Mansion
- Nanjing CIFI Honor Masion
- Xuzhou CIFI Dragon Regency
- Xuzhou CIFI Noble Mansion
- Changsha CIFI City Mansion
- Changsha Henderson CIFI The Landscape
- Xi'an CIFI Park Avenue
- Xi'an CIFI Honor Mansion
- Nanning CIFI Landscape

The Group also continued to record contracted sales in other projects the pre-sale of which started in previous year(s).

CIFI was ranked 15th nationally in terms of contracted sales amount in 2018 according to the “China Real Estate Enterprises Sales Ranking in 2018” published by CRIC Information Group.

### ***Profit margins***

The Group’s gross profit margin improved to 34.7% in 2018 (adjusted to exclude the effects of accounting treatment due to financial consolidation of certain projects as subsidiaries of the Group), as compared to 29.7% in 2017. The Group’s core net profit margin was 13.1% in 2018, compared to 12.8% in 2017.

The Group sustained its profit margins in 2018 mainly because of higher profitability for property projects delivered, reasonable land costs, low finance cost as well as product premium achieved through improving quality and brand. The profit margins also reflected the profit margins of recognized sales which were mostly contracted before the government imposed price limits on property sales.

### ***Land acquisitions***

In early 2018, our strong performance in contracted sales imposed an urging need for replenishing our saleable sources for our future sales growth. We inevitably became proactive in acquiring suitable and cost-effective land resources in the first half of 2018. Due to stricter government real estate control measures and tightening financing environment, most land markets softened in the second half of 2018, leading to significant corrections in transacted land prices. Since mid-2018, we have become more conservative and avoided acquiring land at high costs.

In 2018, the Group acquired interests in 93 new projects with an aggregate land consideration attributable to the Group of RMB41.1 billion. From January to February 2019, the Group further acquired interests in 11 new projects with an aggregate land consideration attributable to the Group of RMB9.8 billion. For land acquisitions made since early 2018, the Group strictly adhered to its value investment principles and utilized multi acquisition channels including government public auctions and tenders, private acquisitions as well as urban village transformations.

During the year, we strategically entered 15 new cities, expanded our geographical coverage and diversified into cities of different tiers, enhanced our regional and provincial penetrations. In particular, we entered the following new cities in 2018:

- Yangtze River Delta: Nanchang, Xuzhou, Changzhou, Nantong, Wuhu and Taizhou, expanding our presence in second- and third-tier cities in the region;
- Pan Bohai Area: Yantai, Weifang, Jining and Zibo, expanding our coverage in Shandong Province;
- South China Region: Quanzhou and Jiangmen, further gaining strategic foothold in Guangdong and Fujian Province;
- Central-Western Region: Guiyang, Yinchuan, etc, gaining foothold in Guizhou and Gansu Province.

## *Financing and liability management*

In 2018, the fundraising markets for China real estate developers were phenomenally tightened. As onshore funding channels were more restricted, real estate developers reverted to offshore debt markets with massive supply of debt issues. Sentiments for both onshore and offshore bonds and loan markets significantly weakened with higher interest costs.

Leveraging our multiple low-cost funding channels, both onshore and offshore, as well as our long-established endorsements by the capital markets, CIFI has great competitive edge in terms of funding capabilities and financial strength. Since the beginning of 2018, we have decisively executed the following major financing transactions, which have been more than adequate for our landbank expansion and re-financing needs:

### *Offshore financings*

- In January 2018, the Company issued the 5.50% coupon, 5-year maturity US Dollar Bonds due January 2023 (“2023 Due USD Bonds”) with a principal amount of US\$300 million.
- In February 2018, the Company issued the zero-coupon convertible bonds due February 2019 (“Convertible Bonds”) with a principal amount of HK\$2,790 million (approximately US\$358 million). The redemption price of the Convertible Bonds at maturity was set at 101.5% (“Redemption Price”) of its principal amount. The Convertible Bonds were convertible into new shares of the Company at an adjusted conversion price of HK\$8.90 per share (adjusted for the final dividend for the year ended 31 December 2017 and the interim dividend for the six months ended 30 June 2018). Between October and December 2018, the Company repurchased an aggregate principal amount of HK\$1,762 million of the Convertible Bonds below the redemption price at maturity. Before their maturity, the Convertible Bonds in the principal amount of HK\$4 million were converted into new shares of the Company at the adjusted conversion price of HK\$8.90 per Share. At their maturity in February 2019, the remaining Convertible Bonds with an aggregate principal amount of HK\$1,024 million were delisted from the Singapore Exchange Securities Trading Limited (“SGX-ST”) and were redeemed by the Company at the Redemption Price.
- In March 2018, the Company entered into a facility agreement in respect of an unsecured 3.5-year US dollar/Hong Kong dollar club loan (“2018 Club Loan”) of the final principal amount of approximately US\$243 million with an interest rate of LIBOR/HIBOR + 3.32% per annum. In the second half of 2018, the Company further entered into bi-lateral facility agreements in respect of an unsecured 2-year/3-year Hong Kong dollar loan facilities with an aggregate principal amount of HK\$1.2 billion (approximately US\$154 million) with interest rates ranging from HIBOR + 3% to 3.96% per annum.
- In April 2018, the Company issued the 6.875% coupon, 3-year maturity US Dollar Bonds due April 2021 (“2021 Due USD Bonds”) with a principal amount of US\$500 million, and further issued the 6.375% coupon, 2-year maturity US Dollar Bonds due April 2020 (“2020 April Due USD Bonds”) with a principal amount of US\$300 million.

- In September 2018, the Company issued the 7.75% coupon, 2-year maturity RMB Bonds due September 2020 (“2020 September Due RMB Bonds”) with a principal amount of RMB1 billion, and further issued additional US\$300 million principal amount, 5.5% coupon offshore bonds due January 2022 (“2022 January Due USD Bonds”), at issue yield of 8.625%.
- In December 2018, CIFI priced 2-year the 7.625% coupon, long 2-year maturity US Dollar Bonds due February 2021 (“2021 February Due USD Bonds”) with a principal amount of US\$400 million. Such bonds were issued and settled in January 2019.

### *Onshore financings*

- In March 2018, 旭輝集團股份有限公司 (CIFI Group Co., Ltd.\*) (“CIFI China”), the Company’s wholly-owned subsidiary in China, issued an aggregate of RMB3.5 billion domestic non-public corporate bonds in the following tranches:
  - (i) RMB800 million at coupon rate of 6.50% per annum, and tenure of 4 years (with the Issuer’s right to adjust the coupon rate and investors’ option to require the Issuer to repurchase the bonds, at the end of second year after the issue); and
  - (ii) RMB2.7 billion at coupon rate of 6.80% per annum, and tenure of 5 years (with the Issuer’s right to adjust the coupon rate and investors’ option to require the Issuer to repurchase the bonds, at the end of third year after the issue).
- In August and September 2018, CIFI China issued an aggregate of RMB3.375 billion domestic public corporate bonds in the following tranches:
  - (i) RMB2.5 billion at coupon rate of 5.46% per annum and tenure of 3 years (with the Issuer’s right to adjust the coupon rate and investors’ option to require the Issuer to repurchase the bonds, at the end of second year after the issue); and
  - (ii) RMB875 million at coupon rate of 6.39% per annum and tenure of 4 years (with the Issuer’s right to adjust the coupon rate and investors’ option to require the Issuer to repurchase the bonds, at the end of third year after the issue).

During the year, proceeds of the above fundraisings were partially used for the repayments of an aggregate of approximately USD754 million offshore debts and approximately RMB5 billion onshore corporate bonds.

### *Financial positions*

Our international and onshore credit rating agencies continued to endorse CIFI’s efforts in sales execution, disciplined land-bank expansion and prudent financial management. During the year, Fitch and Moody’s maintained the Company’s credit rating at “BB” (with “Stable” outlook) and “Ba3” (with “Positive” outlook) respectively, while Standard & Poor’s upgraded the Company’s credit rating outlook to “BB–” (with “Positive” outlook). On the other hand, each of the onshore credit rating agencies, namely China Chengxin Credit Ratings, United Ratings and China Lianhe Credit Rating, assigned “AAA” onshore credit ratings to the Company and CIFI China.

As at 31 December 2018, the Group's:

- net debt-to-equity ratio was 67.2% (as at 31 December 2017: 50.9%);
- net debts (total indebtedness less cash-on-hand) amounted to RMB33,247.5 million (as at 31 December 2017: RMB17,452.2 million);
- cash-on-hand level amounted to RMB44,617.6 million (as at 31 December 2017: RMB29,786.9 million);
- total indebtedness amounted to RMB77,865.0 million (as at 31 December 2017: RMB47,239.1 million);
- guaranteed joint ventures/associated companies debts amounted to RMB8,431.9 million (as at 31 December 2017: RMB2,631.9 million); and
- weighted average cost of indebtedness (excluding convertible bonds) was 5.8% (as at 31 December 2017: 5.2%).

As at 31 December 2018, unpaid committed land considerations attributable to the Group were approximately RMB5,188.1 million (versus cash-on-hand of approximately RMB44,617.6 million). Despite the increase in total debts mainly for land acquisitions in 2018, the Group maintained a comfortable debt position and control over off-balance sheet commitments.

### *Awards and recognitions*

In 2018, we received various prestigious national and international industry honours in recognition of our notable achievements in line with our growth in scale and rising industry position; notably:

- “Aon Best Employers – China 2018”. For two consecutive years, CIFI received this highly comprehensive and prestigious honour in human resources awarded by Aon Hewitt, the world's leading human resources consultancy firm during the year. CIFI again was the only awarded real estate developer in 2018, in recognition of its continued human resources development.
- “Real Estate Design China Award 2017-2018” and “Kinpan Award 2018”. CIFI received 68 awards in 2018 in these highly influential construction design contest in China's real estate industry. CIFI was the real estate developer which won the most awards in these two contests, signifying the marker recognition of our dedications to product capabilities.
- “Institutional Investor Magazine – All-Asia Executive Team 2018”. CIFI received the “Best CFO – Overall Number 1, Buy-side and Sell-side Number 1”, “Best IR Professional – Overall Number 1, Buy-side and Sell-side Number 1” and “Best Investor Relations Program – Sell-side Number 3” in the “Property” category of executive rankings in Asia (ex-Japan) published by this global finance magazine in 2018. The magazine asked portfolio managers and buy- and sell-side analysts at financial

institutions all over the world to score the performance of executives at companies they covered. The ranking of CIFI showed the international recognition of its dedication to financial management, corporate governance and effective communications with global capital markets.

- “Inclusion into the MSCI China Index”. CIFI was admitted into the China Index of MSCI Global Standard Indices (“MSCI China Index”) in February 2018. The MSCI China Index, which currently includes large and mid-sized internationally listed Chinese stocks available to international investors, is used as a common benchmark for global stock funds to track Chinese equity market performance and to measure portfolio performances. The inclusion recognizes CIFI’s significant re-rating of its equity valuation and improvement in stock liquidity.

### ***“Real estate plus” businesses***

“Real estate plus” businesses refer to the Group’s associated companies which are complimentary to its core property business. These ventures include (i) Ever Sunshine Lifestyle Services (formerly known as Yongsheng Property Service), which provides property management services; (ii) Lingyu Apartment Rental, which provides long term apartment rental services; and (iii) EPC Construction Services, which provides industrialized prefabricated construction services.

In 2018, the Group’s “real estate plus” businesses made the significant progress. During the year,

- Ever Sunshine Lifestyle Services Group Limited, the holding company of the property management services business, completed its initial public offering raising HK\$741 million, and commenced listing of its shares on the Main Board of Hong Kong Stock Exchange on 17 December 2018. During the year, Ever Sunshine Lifestyle Services substantially increased its operating scale and reached contracted management area of 65.55 million sq.m. as at 31 December 2018, with a good mix of contributions from projects developed by CIFI as well as third-party developers.
- In 2018, Lingyu Apartment Rental further grew its scale and had contracted over 50,000 apartments for its management. It has successfully positioned itself as one of the fastest growing apartment rental operators in China.

These “real estate plus” businesses as part of the real estate-related service sector in the PRC enjoy enormous growth potential characterized by clear industry consolidation trends, massive market opportunities and benefits of utilizing innovations in industry reforms. They have great synergies with the Group’s core property development/investment business by providing services to the Group, and on the other hand could grow rapidly by expanding its business coverage to third-party, non-CIFI customers.

## **Outlook for 2019**

China is now approaching a new phase of economic reform and transformation. At present, domestic economy and consumption showed imminent signs of slowdown. Since the second half of 2018, the government's deleveraging and austerity measures in the real estate sector have been effective and China's overall real estate sales demand volume has softened noticeably. The softening economy may prompt the government to adjust its austerity and liquidity measures against the real estate sector. While we believe that any potential loosening in government real estate control measures would be gradual, we would closely monitor the reversal in policies and its impact on real estate markets and take advantage in adding land resources at cheaper costs accordingly.

Due to the stringent real estate controls and tight liquidity environment in 2018, land prices in second- and strong third-tier cities have shown dramatic corrections. We believe that these city segments will offer attractive investment opportunities in the medium and long term, especially in the more challenging industry environments.

Due to our proactive land-banking strategy in the past two years, we have effectively diversified our land bank to cover 60 cities in different geographical regions. Other than our traditional emphasis on first- and second-tier cities, our land bank now also covers a growing number of third-tier or other cities which have different real estate demand and policy cycles. Our relatively conservative land acquisition approach in the second half of 2018 and our outstanding sales achieved by the end of 2018 have provided us with good cash reserve and have well-positioned us to capture the opportunities during the corrections of the land markets.

The Group has set an initial contracted sales target for the full year of 2019 at RMB190.0 billion, representing an increase of 25% from the contracted sales in 2018. Supply of saleable resources of the Group are estimated to amount to over RMB350 billion for the full year of 2019. Based on our abundant saleable resources and conservative sell-through assumption, we are confident of achieving our 2019 yearly sales target. We are confident that our massive and well diversified portfolio of saleable resources acquired at reasonable land costs will be defensive in the current tight real estate environment and will provide substantial upside potential when real estate policies become favourable again in future.

CIFI is a large-scale developer with national coverage and we have proven our ability to execute efficient and high asset-turnover operating strategies. Our efficient operations stress on short development cycles, high cash turnover, defensive debt positions as well as balanced profitability. We are well-positioned to capture further market share and outperform other market players in the industry especially in the current challenging real estate environment.

**CIFI Holdings (Group) Co. Ltd.**  
**LIN Zhong**  
*Chairman*



## MANAGEMENT DISCUSSION AND ANALYSIS

### PERFORMANCE HIGHLIGHTS

	<i>NOTES</i>	<b>2018</b>	2017	<b>Year-on-Year Growth</b>
<b>Contracted sales</b>				
Contracted sales (RMB' billion)	<i>1</i>	<b>152.0</b>	104.0	46.2%
Contracted GFA (sq.m.)		<b>9,569,400</b>	6,291,713	52.1%
Contracted ASP (RMB/sq.m.)		<b>15,900</b>	16,530	-3.8%
<b>Selected financial information (RMB'million)</b>				
Recognized revenue		<b>42,368</b>	31,824	33.1%
Gross profit		<b>10,613</b>	8,621	23.1%
Profit for the year attributable to equity owners		<b>5,409</b>	4,828	12.0%
Core net profit attributable to equity owners	<i>2</i>	<b>5,536</b>	4,082	35.6%
<b>Selected balance sheet data (RMB'million)</b>				
Total assets		<b>241,061</b>	151,758	58.8%
Bank balances and cash	<i>3</i>	<b>44,618</b>	29,787	49.8%
Total indebtedness	<i>4</i>	<b>77,865</b>	47,239	64.8%
Total equity		<b>49,446</b>	34,270	44.3%
Equity attributable to equity owners		<b>25,604</b>	20,904	22.5%
<b>Selected financial ratios</b>				
Gross profit margin (adjusted)		<b>34.7%</b>	29.7%	
Core net profit margin	<i>5</i>	<b>13.1%</b>	12.8%	
Earnings per share (basic), RMB cents		<b>70</b>	68	
Core earnings per share (basic), RMB cents		<b>72</b>	57	
Return on average equity	<i>6</i>	<b>23.8%</b>	22.8%	
Net debt-to-equity ratio, at the end of year	<i>7</i>	<b>67.2%</b>	50.9%	
Weighted average cost of indebtedness, at the end of year	<i>8</i>	<b>5.8%</b>	5.2%	
<b>Land bank (GFA, million sq.m.)</b>				
Land bank (GFA, sq.m.), at the end of year				
– Total		<b>41.2</b>	31.0	
– Attributable		<b>20.7</b>	16.0	
New land acquisition (GFA, sq.m.), during the year				
– Total		<b>12.4</b>	13.2	
– Attributable		<b>7.1</b>	5.5	

*Notes:*

1. “Contracted sales” includes contracted sales by the Group’s subsidiaries, joint ventures and associated companies. Contracted sales data is unaudited and is based on internal information of the Group. Contracted sales data may be subject to various uncertainties during the process of collating such sales information and is provided for investors’ reference only.
2. “Core net profit” excludes fair value gains/losses, net exchange loss/gain, expenses relating to share option grants, loss on early redemption of senior notes, and share of fair value gains/losses and net exchange loss/gain at joint ventures and associated companies, net of deferred taxes.
3. “Bank balances and cash” include pledged bank deposits.
4. “Total indebtedness” includes bank and other borrowings, onshore corporate bonds and offshore senior notes.
5. “Core net profit margin” is calculated based on core net profit attributable to equity owners over total recognized revenue.
6. The calculation of “return on average equity” is based on our core net profit divided by average equity attributable to equity owners for each financial year.
7. “Net debt-to-equity ratio” is calculated by the Group’s total indebtedness under IFRS less bank balances and cash (including pledged bank deposits) as a percentage of total equity at the end of each financial year.
8. “Weighted average cost of indebtedness” is the weighted average of interest costs of all indebtedness outstanding as at the end of each financial year.

## PROPERTY DEVELOPMENT

### Contracted sales

The Group achieved contracted sales of approximately RMB152.0 billion in 2018, representing a year-on-year growth of 46.2% as compared to RMB104.0 billion in 2017. The overwhelming growth in the Group's contracted sales was due to the Group's abundant and well diversified saleable resources across different regions and cities and mainly driven by the strong performance of certain second- and third-tier cities which were less affected by government controls.

The Group contracted sales in GFA was approximately 9,569,400 sq.m. in 2018, representing an increase of 52.1% over GFA of approximately 6,291,713 sq.m. in 2017. The Group's contracted ASP in 2018 was approximately RMB15,900/sq.m., representing a decrease of 3.8% from RMB16,530/sq.m. in 2017.

Contracted sales from the Yangtze River Delta, the Pan Bohai Rim, the Central Western Region and the South China Region contributed to approximately 47.8%, 24.1%, 22.7% and 5.4% of the Group's total contracted sales in 2018 respectively. Contracted sales from first- and second-tier cities accounted for approximately 78.5% of the Group's total contracted sales in 2018 whereas those from third-tier cities accounted for the remaining 21.5%. Contracted sales derived from residential projects contributed to approximately 93.5% of the Group's total contracted sales in 2018 whereas those from office/and commercial projects contributed to the remaining 6.5%.

Cash collection from property sales during the period by the Group's subsidiaries, joint ventures and associated companies represented over 85% of contracted sales in 2018.

**Table 1: Details of contracted sales in 2018**

By city

	<b>Contracted sales</b> (RMB'000)	<b>% of total contracted sales</b> (%)	<b>Contracted GFA</b> (sq.m.)	<b>Contracted ASP</b> (RMB/sq.m.)
Hefei	15,933,859	10.5%	1,001,226	15,914
Chongqing	15,741,945	10.4%	1,214,845	12,958
Beijing	11,840,608	7.8%	322,824	36,678
Wenzhou	10,935,367	7.2%	816,816	13,388
Suzhou	9,628,305	6.3%	458,148	21,016
Wuhan	8,150,657	5.4%	431,323	18,897
Shanghai	7,890,189	5.2%	274,700	28,723
Ningbo	7,323,515	4.8%	295,620	24,773
Qingdao	7,196,559	4.7%	512,626	14,039
Tianjin	6,716,692	4.4%	402,340	16,694
Hangzhou	6,455,880	4.2%	311,730	20,710
Shenyang	6,134,303	4.0%	511,445	11,994
Foshan	5,777,096	3.8%	482,212	11,980
Wuxi	4,971,213	3.3%	408,786	12,161
Jiaxing	4,808,885	3.2%	320,519	15,003
Chengdu	3,274,770	2.2%	289,255	11,321
Xi'an	2,997,762	2.0%	256,870	11,670
Linyi	2,741,943	1.8%	301,609	9,091
Changsha	2,349,457	1.5%	223,903	10,493
Nanjing	2,294,855	1.5%	83,327	27,540
Xuzhou	1,683,557	1.1%	149,341	11,273
Jinan	1,385,559	0.9%	92,658	14,953
Zhengzhou	1,292,345	0.8%	95,959	13,468
Guangzhou	1,023,850	0.7%	25,760	39,746
Nanning	763,546	0.5%	66,312	11,514
Nanchang	455,175	0.3%	57,379	7,933
Weifang	325,129	0.2%	24,264	13,400
Sanya	264,918	0.2%	3,382	78,332
Zibo	250,650	0.2%	28,910	8,670
Changzhou	237,022	0.2%	11,893	19,930
Quzhou	194,597	0.1%	13,112	14,841
Guiyang	166,858	0.1%	16,114	10,355
Zhongshan	140,498	0.1%	15,969	8,798
Nantong	113,990	0.1%	6,543	17,422
Wuhu	98,013	0.1%	8,199	11,954
Quanzhou	91,854	0.1%	8,112	11,323
Xuchang	85,637	0.1%	9,659	8,866
Jinhua	74,804	*	4,160	17,982
Dongguan	64,367	*	3,258	19,757
Zhengjiang	47,849	*	2,661	17,982
Jiangmen	42,020	*	4,035	10,414
Dalian	40,690	*	1,616	25,179
<b>Total</b>	<b>152,006,788</b>	<b>100.0%</b>	<b>9,569,420</b>	<b>15,885</b>

\* Less than 0.1%

*By type of project*

	<b>Contracted sales</b>	<b>% of total Contracted sales</b>	<b>Contracted GFA</b>	<b>Recognised ASP</b>
	<i>(RMB'000)</i>	<i>(%)</i>	<i>(sq.m.)</i>	<i>(RMB/sq.m.)</i>
Residential	142,088,406	93.5%	9,098,099	15,617
Office/Commercial	9,918,382	6.5%	471,321	21,044
<b>Total</b>	<b>152,006,788</b>	<b>100.0%</b>	<b>9,569,420</b>	<b>15,885</b>

*By region*

	<b>Contracted sales</b>	<b>% of total contracted sales</b>	<b>Contracted GFA</b>	<b>Contracted ASP</b>
	<i>(RMB'000)</i>	<i>(%)</i>	<i>(sq.m.)</i>	<i>(RMB/sq.m.)</i>
Yangtze River Delta	72,691,900	47.8%	4,166,781	17,446
Pan Bohai Rim	36,632,133	24.1%	2,198,292	16,664
Central Western Region	34,514,606	22.7%	2,595,307	13,299
South China Region	8,168,149	5.4%	609,040	13,412
<b>Total</b>	<b>152,006,788</b>	<b>100.0%</b>	<b>9,569,420</b>	<b>15,885</b>

*By first-, second- and third-tier cities*

	<b>Contracted sales</b>	<b>% of total contracted sales</b>	<b>Contracted GFA</b>	<b>Contracted ASP</b>
	<i>(RMB'000)</i>	<i>(%)</i>	<i>(sq.m.)</i>	<i>(RMB/sq.m.)</i>
First-tier cities	19,730,797	13.0%	597,524	33,021
Second-tier cities	99,591,500	65.5%	6,351,838	15,679
Third-tier cities	32,684,491	21.5%	2,620,058	12,475
<b>Total</b>	<b>152,006,788</b>	<b>100.0%</b>	<b>9,569,420</b>	<b>15,885</b>

*Notes:*

1. First-tier cities refer to Shanghai and Beijing.
2. Second-tier cities refer to Guangzhou Suzhou, Hangzhou, Nanjing, Hefei, Ningbo, Nanchang, Xi'an, Wuhan, Chongqing, Changsha, Chengdu, Zhengzhou, Tianjin, Shenyang, Qingdao, Jinan, Nanning, Guiyang and Dalian.
3. Third-tier cities refer to Wenzhou, Wuxi, Sanya, Jiaxing, Zhenjiang, Xuzhou, Weifang, Zibo, Changzhou, Quzhou, Zhongshan, Nantong, Wuhu, Quanzhou, Xuchang, Jinhua, Dongguan, Foshan, Jiangmen and Linyi.

## Revenue recognized from sales of properties

Revenue recognized from sales of properties in 2018 was approximately RMB39,014.0 million up by 28.8% year-on-year, accounted for 92.1% of total recognized revenue. The Group delivered approximately 2,664,438 sq.m. of properties in GFA in 2018, up by 29.4% year-on-year. The Group's recognized ASP from sales of properties was approximately RMB14,642/sq.m. in 2018, representing an decrease of 0.5% from RMB14,710/sq.m. in 2017. The increase in the Group's revenue recognized from sales of properties in 2018 was mainly attributable to the increase in GFA delivered.

**Table 2: Breakdown of recognized revenue from property sales in 2018**

By city

	Recognised revenue from sale of properties		% of recognised revenue from sale of properties		Total GFA delivered		Recognised ASP	
	RMB'000		%		sq.m.		RMB/sq.m.	
	2018	2017	2018	2017	2018	2017	2018	2017
Suzhou	9,590,608	7,936,922	24.6	26.2	459,192	462,108	20,886	17,175
Hangzhou	6,373,025	334,458	16.3	1.1	453,004	33,804	14,068	9,894
Qingdao	4,157,502	–	10.7	*	420,555	–	9,886	–
Tianjin	3,256,563	2,388,303	8.3	7.9	206,434	190,634	15,775	12,528
Nanjing	2,783,240	2,005,465	7.1	6.6	97,182	121,550	28,640	16,499
Shenyang	2,630,790	1,798,137	6.7	5.9	269,428	213,181	9,764	8,435
Shanghai	2,523,128	7,752,773	6.5	25.6	80,603	208,293	31,303	37,221
Chongqing	1,634,823	1,685,944	4.2	5.6	233,924	276,929	6,989	6,088
Ningbo	1,449,159	–	3.7	*	67,817	–	21,369	–
Wuhan	1,448,911	1,657,950	3.7	5.5	76,067	90,676	19,048	18,284
Jinan	1,063,318	–	2.7	*	99,054	–	10,735	–
Changsha	649,741	911,509	1.7	3.0	60,486	85,754	10,742	10,629
Xi'an	597,609	–	1.5	*	46,149	–	12,950	–
Foshan	566,731	–	1.5	*	53,691	–	10,555	–
Jiaxing	80,520	638,476	0.2	2.1	14,677	84,240	5,486	7,579
Hefei	77,928	1,624,861	0.2	5.4	12,661	100,351	6,155	16,192
Zhenjiang	60,065	930,637	0.2	3.1	8,826	162,566	6,806	5,725
Beijing	59,617	586,755	0.2	1.9	3,554	21,997	16,775	26,674
Langfang	10,729	42,872	*	0.1	1,134	7,360	9,461	5,825
<b>Total</b>	<b>39,014,007</b>	<b>30,295,062</b>	<b>100</b>	<b>100</b>	<b>2,664,438</b>	<b>2,059,443</b>	<b>14,642</b>	<b>14,710</b>

\* Less than 0.1%

*By type of project*

	Recognised revenue from sale of properties		% of recognised revenue from sale of properties		Total GFA delivered		Recognised ASP	
	RMB'000		%		sq.m.		RMB/sq.m.	
	2018	2017	2018	2017	2018	2017	2018	2017
Residential	32,217,278	23,601,817	82.6	77.9	2,275,543	1,606,947	14,158	14,687
Office/Commercial	6,796,729	6,693,245	17.4	22.1	388,895	452,496	17,477	14,792
Total	<b>39,014,007</b>	<b>30,295,062</b>	<b>100</b>	<b>100</b>	<b>2,664,438</b>	<b>2,059,443</b>	<b>14,642</b>	<b>14,710</b>

*By region*

	Recognised revenue from sale of properties		% of recognised revenue from sale of properties		Total GFA delivered		Recognised ASP	
	RMB'000		%		sq.m.		RMB/sq.m.	
	2018	2017	2018	2017	2018	2017	2018	2017
Yangtze River Delta	21,012,248	21,223,592	53.9	70.1	1,038,433	1,172,912	20,235	18,095
Pan Bohai Rim	10,957,069	4,816,067	28.1	15.9	964,037	433,172	11,366	11,118
Central Western Region	6,477,959	4,255,403	16.5	14.0	608,277	453,359	10,650	9,386
South China	566,731	–	1.5	–	53,691	–	10,555	–
Total	<b>39,014,007</b>	<b>30,295,062</b>	<b>100</b>	<b>100</b>	<b>2,664,438</b>	<b>2,059,443</b>	<b>14,642</b>	<b>14,710</b>

*By first-, second- and third-tier cities*

	Recognised revenue from sale of properties		% of recognised revenue from sale of properties		Total GFA delivered		Recognised ASP	
	RMB'000		%		sq.m.		RMB/sq.m.	
	2018	2017	2018	2017	2018	2017	2018	2017
First-tier cities	2,582,745	8,339,528	6.6	27.5	84,157	230,290	30,690	36,213
Second-tier cities	36,279,947	20,343,549	93.0	67.2	2,555,642	1,574,987	14,196	12,917
Third-tier cities	151,315	1,611,985	0.4	5.3	24,639	254,166	6,141	6,342
Total	<b>39,014,007</b>	<b>30,295,062</b>	<b>100</b>	<b>100</b>	<b>2,664,438</b>	<b>2,059,443</b>	<b>14,642</b>	<b>14,710</b>

## **Completed properties held for sale**

In 2018, the total GFA of newly completed projects of the Group amounted to approximately 5.7 million sq.m. (2017: 2.9 million sq.m.) comprising 2.3 million sq.m. by its subsidiaries (2017: 1.6 million sq.m.) and 3.4 million sq.m. by its joint ventures or associated companies (2017: 1.3 million sq.m.). As at 31 December 2018, the Group had over 100 completed properties projects with a total and attributable unsold or undelivered GFA of approximately 7.3 million sq.m. and 4.3 million sq.m. respectively.

## **Properties under development/held for future development**

As at 31 December 2018, the Group had over 170 property projects under development or held for future development with a total and attributable GFA of approximately 33.9 million sq.m. and 16.4 million sq.m. respectively.

## **PROPERTY INVESTMENT**

### **Rental income**

The Group's rental income in 2018 was approximately RMB237.0 million, up by 151.0% year-on-year. The rental income in 2018 were mainly contributed by Jiaxing CIFI Square, Shanghai CIFI Haishang International and Chongqing CIFI City, with its growth mainly derived from new rental contribution from Shanghai CIFI Haishang International, Shanghai LCM and Chongqing CIFI City.

### **Investment properties**

As at 31 December 2018, the Group had 16 investment properties with a total and attributable GFA of approximately 841,400 sq.m and 472,900 sq.m. respectively, of which 10 investment properties with a total and attributable GFA of approximately 428,000 sq.m and 289,500 sq.m. had commenced leasing.

## **FINANCIAL REVIEW**

### **Revenue**

The Group's recognized revenue was approximately RMB42,367.6 million in 2018, up 33.1% year-on-year. Out of the Group's total recognized revenue in 2018, (i) sales of property increased by 28.8% from 2017 to approximately RMB39,014.0 million; (ii) rental income increased by 151.0% from 2017; (iii) project management and other property related service income increased by 117.2% from 2017.



**Table 3: Breakdown of recognized revenue in 2018**

	2018		2017		Year-on-year change
	Recognized revenue	% of Total recognized revenue	Recognized revenue	% of Total recognized revenue	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>	<i>%</i>
Sales of properties	<b>39,014,007</b>	<b>92.1</b>	30,295,062	95.2	<b>28.8</b>
Rental income	<b>236,978</b>	<b>0.6</b>	94,428	0.3	<b>151.0</b>
Project management and other property related service income	<b>3,116,662</b>	<b>7.3</b>	1,434,798	4.5	<b>117.2</b>
<b>Total</b>	<b>42,367,647</b>	<b>100.0</b>	<b>31,824,288</b>	<b>100.0</b>	<b>33.3</b>

### Cost of sales

The Group's reported cost of sales in 2018 was approximately RMB31,754.8 million, up 36.9% from 2017.

### Gross profit and gross profit margin

The Group's reported gross profit in 2018 was approximately RMB10,612.8 million, up by 23.1% compared to RMB8,621.5 million in 2017.

In 2018, the reported gross profits were understated by the accounting treatment due to re-classification of certain project companies from non-consolidating joint ventures or associated companies to subsidiaries of the Group.

Eliminating the accounting effect of remeasurement of fair value of the costs of relevant properties delivered, the adjusted gross profit in 2018 was approximately RMB14,681.6 million, up by 55.5% compared to the adjusted gross profit in 2017.

Our adjusted gross profit margin was 34.7% in 2018, which remained high compared to the adjusted gross margin of 29.7% in 2017.

### Net exchange gain/(loss) from hedging arrangements

In 2018, the Group incurred net exchange loss of RMB575.4 million due to the effects of RMB exchange rate depreciation during the year, compared to exchange gain of RMB108.4 million in 2017.

The Group had entered into currency capped forward contracts to hedge certain of its foreign currency exposure in non-RMB denominated indebtedness. In 2018, the Group recorded in a fair value gain on derivative financial instruments of RMB14.9 million due to hedging arrangements (2017: loss of RMB538.7 million).

### **Loss on early redemption of senior notes**

In 2017, the Group realized a loss on early redemption of senior notes of RMB118.5 million, no such loss was incurred in 2018.

### **Gain on remeasurement and gain from business combinations**

In 2018, the Group reclassified the accounting treatment of certain project companies resulting in financial consolidation of such project as subsidiaries. As a result, the Group recognized a gain of RMB903.4 million in 2018 (2017: RMB574.3 million) from remeasurement of the fair value of the equity interests in certain project companies (which were previously recognized as joint venture or associated companies, before acquisition of the equity interests during the period and thereafter they were recognized as subsidiary) and a gain of RMB200.0 million from business combination in 2017 for the acquisition of interest of the aforesaid companies, for the excess of fair value of net assets acquired over the consideration.

### **Change in fair value of investment properties**

In 2018, the Group recognized a fair value gain on investment properties of approximately RMB106.4 million as compared to a fair value gain on investment properties in 2017 of approximately RMB657.8 million.

### **Selling and marketing expenses**

The Group's selling and marketing expenses increased by 89.2% to approximately RMB1,153.1 million in 2018 from approximately RMB609.5 million in 2017. This increase was in line with the Group's massive new launches of property projects available for pre-sale in 2018. During the period, the Group kept its selling expenses at an appropriate level.

### **Administrative and other expenses**

The Group's administrative expenses increased by 67.4% to approximately RMB2,121.7 million in 2018 from approximately RMB1,267.8 million in 2017. This increase was primarily due to the Group's business expansion. During the year, the Group's administrative expenses were kept at a reasonable level due to implementation of stringent cost control and improvement in per capita efficiency.

### **Share of results of joint ventures and associates**

The Group's share of results of joint ventures and associates amounted to profits of RMB2,175.5 million in 2018, versus profits of RMB2,105.6 million in 2017. Included in the share of results of joint ventures and associated companies in 2018 were RMB5.5 million share of exchange loss (2017: exchange gain of RMB112.9 million) and RMB175.1 million share of gain in the fair value of investment properties under construction (2017: RMB844.6 million).

Eliminating the effects of exchange loss and fair value gains, the Group's share of results of joint ventures and associated companies were profits of RMB2,005.9 million in 2018, compared to RMB1,148.1 million in 2017.

## **Finance costs**

The Group's finance costs expensed in 2018 was approximately RMB368.7 million, versus RMB262.3 million in 2017. The change in finance costs expensed was primarily attributable to the change in the total finance costs incurred, net of the portion being capitalized in properties under development during the year.

The Group's total finance costs expensed and capitalized increased by 89.9% to approximately RMB4,388.6 million in 2018 from RMB2,310.8 million in 2017. The increase in total finance costs expensed and capitalized was due to the increase of the Group's total indebtedness level. The Group's total indebtedness was RMB77.9 billion as at 31 December 2018, compared to RMB47.2 billion as at 31 December 2017. The Group's weighted average cost of indebtedness as at 31 December 2018 was 5.8%, compared to 5.2% as at 31 December 2017.

## **Income tax expenses**

The Group's income tax expenses increased by 7.9% to approximately RMB4,198.7 million in 2018 from approximately RMB3,892.6 million in 2017. The Group's income tax expense included payments and provisions made for enterprise income tax ("EIT") and land appreciation tax ("LAT") less deferred taxation during the year. The Group's effective income tax rate decreased to 37.1% in 2018 from 38.8% in 2017.

The Group made LAT provisions of approximately RMB3,676.5 million in 2018 versus approximately RMB2,123.9 million in 2017. The Group made actual LAT payments of approximately RMB1,027.3 million in 2018 versus approximately RMB714.9 million in 2017. As at 31 December 2018, the Group had accumulated unpaid LAT provisions of approximately RMB4,387.3 million.

## **Profit for the year**

As a result of the factors described above, the Group's profit before taxation increased by 12.7% to approximately RMB11,317.0 million in 2018 from approximately RMB10,041.2 million in 2017. The Group's profit for the year increased by 15.8% to approximately RMB7,118.3 million in 2018 from approximately RMB6,148.5 million in 2017. The Group's net profit attributable to equity owners increased by 12.0% to approximately RMB5,409.0 million in 2018 from approximately RMB4,828.1 million in 2017.

The Group's core net profit attributable to equity owners increased by 35.6% to approximately RMB5,535.6 million in 2018 from approximately RMB4,082.4 million in 2017. The Group's core net profit margin was 13.1% in 2018, compared to 12.8% in 2017.

## **LAND BANK**

As at 31 December 2018, the total GFA of the Group's land bank was approximately 41.2 million sq.m., and the attributable GFA of the Group's land bank was approximately 20.7 million sq.m.

**Table 4: Breakdown of the Group's land bank as at 31 December 2018**

*By project*

<b>Project</b>	<b>Primary intended use of the Project</b>	<b>Remaining unrecognised saleable/ rentable GFA remaining unsold (carpark excluded)</b> <i>(sq.m.)</i>	<b>Interest attributable to the Group</b> <i>(%)</i>
<i>Yangtze River Delta</i>			
Shanghai CIFI Pujiang International	Office	1,184	100.0
Shanghai CIFI Luxury Courtyard	Residential	4,778	100.0
Shanghai CIFI Comfortable Joyous Bay	Residential	399	100.0
Shanghai CIFI Pebble Beach	Residential	14,554	100.0
Shanghai CIFI Pleasant Garden	Residential	3,184	100.0
Shanghai CIFI City	Residential	14,071	100.0
Shanghai CIFI Samite Life	Residential	5,751	100.0
Shanghai CIFI Jiangwan Mansion	Residential	7,592	100.0
Shanghai CIFI U Block	Office/Commercial	6,639	100.0
Shanghai CIFI Arthur Shire	Residential	5,421	100.0
Shanghai Greenland CIFI E World Center	Office/Commercial	11,745	50.0
Shanghai Elite Mansion	Residential	9,942	50.0
Shanghai Henderson CIFI Center	Residential/Office/ Commercial	24,777	50.0
Shanghai CIFI Haishang International	Office/Commercial	614	100.0
Shanghai CIFI Haishang International	Investment properties	45,400	100.0
Shanghai CIFI Park Mansion West	Residential	9,265	67.5
Shanghai CIFI Shilu	Residential	1,668	100.0
Shanghai CIFI Pure Center	Office/Commercial	3,803	45.0
Shanghai CIFI Pure Center	Investment properties	29,663	45.0
Shanghai Shangkun CIFI Villa	Residential	3,198	50.0
Shanghai BCL CIFI the Great City	Residential	34,008	40.0
Shanghai Lujiazui Yangjing Project	Office/Commercial	14,477	50.0
Shanghai LCM	Investment properties	135,377	50.0
Shanghai Changning District, Huashanliyuan Project	Residential	10,500	100.0
Shanghai Jiuting Center	Residential/Commercial	115,633	34.0
Shanghai Jiuting Center	Investment properties	72,540	34.0
Shanghai Baoshan District Luodian Town Meiluo Jiayuan Community No. 01 Project	Office/Commercial	42,939	25.0
Shanghai Office Park	Office/Commercial	37,724	50.0
Hefei CIFI Central Park	Residential	1,323	100.0

Project	Primary intended use of the Project	Remaining unrecognised saleable/rentable GFA remaining unsold (carpark excluded)	Interest attributable to the Group
		(sq.m.)	(%)
Hefei CIFI Private Mansion	Residential	32,765	100.0
Hefei North Star CIFI Park Mansion Luzhou	Residential	125,731	50.0
Hefei CIFI Lake Betsuin	Residential	197,933	50.0
Hefei CIFI Ronchamp Courtyard	Residential	104,535	22.5
Hangzhou Henderson CIFI Palace	Residential	9,556	100.0
Hangzhou Greenland CIFI Glorious City	Residential	9,633	50.0
Hangzhou Shunfa CIFI Honor Mansion	Residential	21,045	30.0
Hangzhou Binjiang CIFI Wanjiazhixing	Residential	695	35.0
Hangzhou Vanke CIFI Luna Sea	Residential/Commercial	43,157	33.0
Hangzhou CIFI Hechang Metropolis Mansion	Commercial	1,818	100.0
Suzhou CIFI Canal County	Residential	10,923	100.0
Suzhou CIFI Luxury Courtyard	Residential	30,826	100.0
Suzhou CIFI Private Mansion	Residential	9,440	100.0
Suzhou CIFI Private Mansion Usonian City Villa	Residential	11,247	100.0
Suzhou CIFI Elegant City	Residential	21,387	100.0
Suzhou CIFI Sunny Life	Residential	6,837	100.0
Suzhou CIFI Apple Paradise	Residential	50,679	100.0
Suzhou Henderson CIFI City	Residential	4,910	50.0
Suzhou CIFI Lake Mansion	Residential	47,707	40.0
Nanjing CIFI Yincheng Baimalanshan	Residential	1,477	51.0
Nanjing CIFI Nine Modern Life	Residential	243	100.0
Nanjing CIFI Park Mansion Qinhuai	Residential	6,905	100.0
Ningbo CIFI Bochenfu	Residential/Commercial	8,897	70.0
Ningbo CIFI Shanghuchengzhang	Residential	300,106	33.0
Jiaxing CIFI Square (Commercial)	Investment properties	82,600	100.0
Jiaxing CIFI Ronchamp Town	Residential	3,501	100.0
Zhenjiang CIFI Times	Residential/Office	2,056	100.0
<i>Pan Bohai Rim</i>			
Beijing CIFI Wangxin Commercial Centre	Investment properties	4,900	100.0
Beijing CIFI Olympic City	Office/Commercial	5,629	100.0
Beijing CIFI International Negotiate Garden	Office/Commercial	326	100.0
Beijing CIFI The Upper House	Residential	13,384	80.0
Beijing CIFI The Education Park	Office/Commercial	82	100.0
Beijing MOMA CIFI Residence	Residential	5,351	50.0
Beijing CIFI Yihexiang	Office/Commercial	188	59.5
Beijing CIFI N0.26 Block	Office/Commercial	116,342	10.0

Project	Primary intended use of the Project	Remaining unrecognised saleable/rentable GFA remaining unsold (carpark excluded)	Interest attributable to the Group
		(sq.m.)	(%)
Beijing Tianheng CIFI No.7 Courtyard	Residential/Commercial	193,430	49.0
Beijing Vanke World	Office/Commercial	74,708	32.4
Shenyang Gemdale CIFI Jiuyunfenghua	Residential	850	50.0
Shenyang CIFI Dongyuecheng	Residential/Commercial	135,838	70.0
Shenyang CIFI Luxury Mansion	Residential	121,594	100.0
Tianjin CIFI Rosedale	Residential	4,182	100.0
Tianjin CIFI Private Mansion	Residential	12,588	100.0
Tianjin Chengshizhiguang	Residential	109,959	25.0
Tianjin CIFI No.6 Courtyard	Residential	1,715	70.0
Tianjin Haishang International	Residential	499,395	20.0
Qingdao CIFI Yinshengtai Dejun Fifth Phase	Residential	15,506	100.0
Qingdao Shuxiang Bancheng	Residential	2,586	55.0
Qingdao CIFI Yinshengtai Boguanjinan	Residential	104,859	100.0
Jinan Changhe Estate	Residential	98,590	40.0
Jinan CIFI Yinshengtai Jinyu Lanshan	Residential	16,823	50.0
Langfang CIFI Path Walf	Residential	36,115	100.0
<i>Central Western Region</i>			
Chongqing CIFI Ronchamp Town	Residential	58,816	100.0
Chongqing CIFI Langyuejun	Residential	774	100.0
Chongqing CIFI Purple City	Office/Commercial	32,406	100.0
Chongqing CIFI City	Residential	27,937	100.0
Chongqing CIFI City	Office/Commercial	81,817	100.0
Chongqing CIFI City	Investment properties	42,460	100.0
Chongqing Dongyuan CIFI Jiangshan Yue	Residential/Commercial	310,126	30.0
Chongqing CIFI Prime Orienting	Residential/Commercial	349,148	33.3
Wuhan CIFI Private Mansion	Residential	13,284	100.0
Wuhan Yulong CIFI Peninsula	Residential/Commercial	159,079	55.0
Wuhan CIFI Tower	Office/Commercial	44,946	51.0
Changsha CIFI Private Mansion	Residential	106,026	100.0
Changsha CIFI International Plaza	Office/Commercial	24,097	100.0
Changsha CIFI International Plaza	Investment properties	24,967	100.0
Changsha CIFI Dream Mansion	Residential	6,531	80.0
Xi'an CIFI Centre	Office/Commercial	44,979	100.0

<b>Project</b>	<b>Primary intended use of the Project</b>	<b>Remaining unrecognised saleable/ rentable GFA remaining unsold (carpark excluded)  (sq.m.)</b>	<b>Interest attributable to the Group  (%)</b>
<i>South China</i>			
Fuzhou CIFI Riverside	Residential/Commercial	3,700	100.0
Foshan CIFI City	Residential/Commercial	214,311	100.0
Hong Kong Nos. 44, 46, 48 & 50, Chung Hom Kok Road, No.1 Horizon Drive	Residential	Net saleable area: 2,450 sq.m. (26,369 sq.ft.)	100.0
Carparks		<u>2,366,045</u>	
GRAND TOTAL		<u>7,303,617</u>	

Project	Primary Intended use of the Project	Estimated Year of Completion	Site Area (sq.m.)	Total GFA under development and held for future development (excluding carparks)	Pre-sold (sq.m.)	Interest attributable to the Group (%)
				(sq.m.)		
<i>Yangtze River Delta</i>						
Shanghai CIFI Evianbay	Residential	2019	189,800	24,500	14,621	100.0
Shanghai Putuo District Changshou Community D5-6 Project	Investment properties	2019	11,648	45,427	–	50.0
Shanghai Huangpu District, Madang Road Project	Office/Commercial	2020	8,600	25,800	–	50.0
Shanghai Global Innovation Center (Yangpu District, Dinghai Community Project)	Office/Commercial	2020	36,500	109,500	2,424	50.0
Hefei CIFI Xizi Grace City	Residential	2020	104,800	225,200	221,031	15.2
Hefei CIFI Wonderful Mansion	Residential	2020	139,700	297,600	319,576	20.0
Hefei CIFI Jiuzhu Mansion	Residential	2019	22,600	56,400	33,131	100.0
Hefei CIFI Metro Politan	Residential	2020	111,400	245,000	252,819	17.0
Hefei New Station District, No. 215 Project	Residential	2020	85,500	154,000	–	51.0
Hefei CIFI Lake Mansion	Residential/ Commercial	2020	130,900	295,900	226,683	21.5
Hefei CIFI Glory Land	Residential	2020	151,400	229,700	182,910	30.0
Hefei CIFI Jade Seal	Residential/ Commercial	2020	178,000	387,100	261,776	25.4
Hefei Landscape (Luyang District, No.1704 Project)	Residential	2020-2021	92,200	174,200	15,853	51.0
Hefei Xinzhan District, No. XZQTD238 Project	Residential	2020-2021	86,000	154,800	–	34.0
Hangzhou CIFI Junyuefu	Residential	2019	57,394	114,788	112,265	23.0
Hangzhou Longfor CIFI Crystal Central	Residential	2019	34,172	95,682	19,525	20.0
Hangzhou CIFI Powerlong East Lake City	Residential	2019	88,494	203,536	199,737	50.0
Hangzhou CIFI Dongyuan Majestic Mansion	Residential	2019	93,300	201,000	61,651	50.0
Hangzhou Xiaoshan District, Beigandanyuan Project	Residential/ Commercial	2019	11,400	37,700	–	30.0
Hangzhou Jianggan District, Yuanzhuyihao Project	Commercial	2020	3,900	26,100	–	50.0
Hangzhou Haishang Mingyue West	Residential	2019	21,200	46,700	45,595	33.0
Hangzhou Linan District, Tianmushan Project	Office/Commercial	2021	1,195,200	49,900	–	100.0
Hangzhou Linan District, Yuqian Project	Office/Commercial	2021	755,400	35,900	–	100.0
Hangzhou CIFI Ronchamp County (Linan District, Qingshanhu, Keji Cheng Project)	Residential	2020	63,500	158,700	7,843	50.0
Hangzhou CIFI Prime Land (Xiaoshan District, Shushan Project)	Residential	2019	26,600	71,800	7,293	50.0
Hangzhou The Glorious City (Lin'an District, Qingshan Lake Sci-tech City Light Rail Project)	Residential/ Commercial	2020	120,800	333,400	–	50.0
Hangzhou Xiaoshan District, Shushan Unit, Zengjiaqiao Project	Residential	2020-2021	98,300	275,100	–	53.3
Hangzhou Lin'an District, Wuyue Mansion North Project	Residential	2019-2021	11,600	23,300	–	50.0
Hangzhou Yuhang District, Chaoshan No.13 Project	Residential	2019	62,200	87,100	–	49.0
Suzhou CIFI Wujiang Mansion	Residential	2019	96,278	173,300	165,316	50.0
Suzhou Henderson CIFI Riverside Park	Residential/ Commercial	2019	N/A	115,118	82,706	30.0



Project	Primary Intended use of the Project	Estimated Year of Completion	Site Area (sq.m.)	Total GFA under development and held for future development (excluding carparks)	Pre-sold (sq.m.)	Interest attributable to the Group (%)
				(sq.m.)		
Suzhou Henderson CIFI Discovery Island	Office/Commercial	2019	N/A	100,416	33,316	30.0
Suzhou Wuzhong District, West Mountain Project	Residential	2019	161,766	32,353	–	100.0
Suzhou Inner Peace (Wuzhong District, Luzhi Project)	Residential	2019	28,600	42,900	–	50.0
Suzhou Wuzhong District, Xukou Project	Residential	2019	48,500	121,300	–	50.0
Suzhou Taicang County, Chengxiang No. 3 Project	Residential	2019	49,000	83,400	–	33.3
Suzhou Great Mansion (Huqiu District, No. 60 Project)	Residential	2020-2021	80,700	169,400	25,742	35.0
Suzhou Kunshan Lakeside Mansion (Bacheng County No.12-8 Project)	Residential	2019-2020	128,200	248,800	63,610	31.1
Suzhou Taicang Coastal Mansion (Shaxi Town Project)	Residential	2019	56,700	102,000	–	27.9
Suzhou Taicang Liuhe Town, Yinhewan Project	Residential	2019	21,200	74,900	–	16.6
Suzhou Zhangjiagang CIFI Majestic Mansion (Zhangjiagang Nanhu Road, No. 2013-B28-A Project)	Residential	2019	69,800	73,300	14,568	100.0
Suzhou Zhangjiagang CIFI Majestic Mansion (Zhangjiagang Jingang Avenue, No. 2013-B27 Project)	Residential	2019	27,100	40,600	4,387	50.0
Nanjing CIFI Mansion (Jiangning District, G54 Project)	Residential	2019	73,200	80,500	–	49.0
Nanjing CIFI Honor Mansion (Jiangning District, G56 Project)	Residential	2020	84,000	231,500	–	49.0
Nanjing CIFI Times Mansion (Jiangning District, G36 Project)	Residential/ Commercial	2020	54,200	178,200	–	20.0
Nanjing Noble Mansion (Jiangning District, G66 Project)	Residential	2019	14,700	29,400	–	50.0
Nanjing Jiangning District, Jiulong Lake G58 Project	Office/Commercial	2020	26,700	133,300	–	33.0
Nanjing Jurong Grand Mansion (Baohua Mudan Road West Side Project)	Residential	2019	52,400	131,000	2,800	33.0
Ningbo CIFI Powerlong Sanjiang Palace	Residential	2019	51,600	103,200	82,511	50.0
Ningbo CIFI Landscape Poetry	Residential	2019-2020	184,200	300,300	26,594	50.0
Nanchang CIFI Lingyun Mansion	Residential	2020	28,000	50,400	45,940	34.0
Wuxi CIFI Times City	Residential	2019	137,900	413,800	199,896	30.0
Wuxi CIFI Mansion (Jiangyin City Project)	Residential	2019	126,300	220,000	24,245	100.0
Wuxi Implicit Talent (Binhu District, Heliekou Project)	Residential	2020	21,600	43,200	–	50.0
Wuxi Yixing Grand Lakeview	Residential/ Commercial	2018-2021	N/A	485,665	–	50.0
Wenzhou CIFI Future City	Residential	2019	51,400	139,100	134,975	34.0
Wenzhou Country Garden CIFI Lake Mansion	Residential	2019	74,800	149,700	31,172	50.0
Wenzhou Metropolis (Leqing City, Jingkai District Project)	Residential	2020	65,100	130,200	26,634	14.0
Wenzhou CIFI Oujiang World's Metropolis (Oujiang River Estuary Area, C-03AE Project)	Residential	2020	131,100	219,900	176,523	34.0
Wenzhou CIFI Oujiang World's Metropolis (Oujiang River Estuary Area, C-11FH Project)	Residential	2021	148,400	178,100	–	34.0
Wenzhou CIFI Oujiang World's Metropolis (Oujiang River Estuary Area, C-05A Project)	Residential	2021	141,800	212,700	–	31.0
Wenzhou Yueqing City, Central District, E-b11-1 Project	Residential	2020	25,300	65,800	–	33.0

Project	Primary Intended use of the Project	Estimated Year of Completion	Site Area (sq.m.)	Total GFA under development and held for future development (excluding carparks)	Pre-sold (sq.m.)	Interest attributable to the Group (%)
				(sq.m.)		
Wenzhou Dongchen Mansion (Cannan County, Taishang Town Project)	Residential	2020	47,200	103,900	6,468	35.0
Jiaxing CIFI Exquisite Mansion	Residential	2019	18,000	36,200	19,847	100.0
Jiaxing Jiashan CIFI M City	Residential	2019	64,900	142,700	30,500	100.0
Jiaxing CIFI The Lanscape of Pinghu	Residential	2019	26,000	39,000	36,920	100.0
Jiaxing CIFI Star City	Residential	2019	107,300	214,600	–	100.0
Jiaxing Jiashan County, No. 2012-42 Project	Residential	2019	25,100	45,200	–	49.0
Jiaxing Jiashan County, No. 2016-7 Project	Residential	2019	14,500	29,000	–	49.0
Jiaxing CIFI One City (Jiashan County, Huimin Project)	Residential	2020	58,900	106,000	71,478	49.0
Jiaxing Jiashan County, No. 34 Project	Residential	2020	35,600	89,100	37,622	30.0
Jiaxing Jiashan County, No. 54 Project	Residential	2020	48,400	120,100	37,527	29.0
Jiaxing Jiashan County, No. 2016-52-1 Project	Residential	2020	43,100	107,700	–	30.0
Jiaxing Jiashan County, Yaozhuang No. 2018-6 Project	Residential	2020	39,100	78,100	–	50.0
Xuzhou Aristocrat Palace (Gulou District, Huanghe North Road Project)	Residential/ Commercial	2020	62,600	163,500	–	49.0
Xuzhou CIFI Dragon Regency (Xingshanzi Industrial Park, Dasanjiao Project)	Residential	2019	57,400	160,800	90,313	50.0
Xuzhou CIFI Noble Mansion (Tongshan District, No.36 Project)	Residential	2019	48,000	96,000	50,728	50.0
Wuhu New Joy Mansion (Yijiang District, Yuanmutang Project)	Residential	2020	124,100	272,900	8,199	40.0
Changzhou CIFI Park Mansion (Tianning District, Changgaoji South Project)	Residential	2020	68,000	149,600	4,624	100.0
Changzhou Cultivated Mansion (Zhonglou District, Huanhua Project)	Residential	2020	51,600	113,500	7,269	40.0
Quzhou The Glorious City (Kecheng District, Railway Station Wanda East Project)	Residential/ Commercial	2020	97,600	182,100	13,013	50.0
Nantong Jinghai Mansion (Gangzha District, No. R18013 Project)	Residential	2020	56,500	78,400	6,543	51.0
Taizhou Origin of Taizhou (Jiaojiang District, Hongjia Street Project)	Residential/ Commercial	2020	28,200	57,400	–	95.0
<i>Pan Bohai Rim</i>						
Beijing Fangshan District, Gongchen Street, No. 0007 Project	Office/Commercial	2019	10,384	25,960	–	50.0
Beijing Fengtai District, Zhuangwei B10 Project	Office/Commercial	2019	5,200	15,500	–	50.0
Beijing City of CIFI (Fangshan District, Fangshan Street No.2 Project)	Residential	2019	53,600	101,500	–	16.7
Beijing CIFI Joy Palace (Chaoyang District, Sunhe Town, Xidian Village, 2902-86 Project)	Residential	2019	59,500	89,300	–	9.0
Beijing CIFI Lakeside Mansion (Shunyi District, Shayu Town Matouzhuang Project)	Residential/ Commercial	2020	65,600	120,200	–	24.5
Beijing Brocade to Home (Chaoyang District, Dongba Project)	Residential	2019	78,000	194,900	–	26.0

Project	Primary Intended use of the Project	Estimated Year of Completion	Site Area (sq.m.)	Total GFA under development and held for future development (excluding carparks)	Pre-sold (sq.m.)	Interest attributable to the Group (%)
				(sq.m.)		
Beijing Royal River Villa (Chaoyang District, Sunhe Project)	Residential	2020	53,500	58,900	10,783	20.0
Shenyang Eastern Tree Shade City North (Dadong District, Vocational and Technical College South Project)	Residential	2019-2022	89,354	196,580	–	50.0
Shenyang Jingchen Mansion (Yuhong District, Xihe Road, No 2 Project)	Residential/ Commercial	2022	85,600	188,300	–	100.0
Shenyang CIFI Metropolis A.D.	Residential/ Commercial	2021	16,200	113,700	69,776	20.0
Shenyang Zhongnan CIFI Harmonious (Tiexi District, Dongyang Zhigang Project)	Residential/ Commercial	2020-2021	99,500	199,100	36,685	40.0
Shenyang Central Palace (Shenhe District, Tuanjie Road No. 59 Project)	Residential	2020	29,400	223,600	22,588	100.0
Tianjin CIFI Tianyuefenghua	Residential	2019	150,241	202,825	157,227	25.0
Tianjin Binhai New District, Sino-Singapore Tianjin Eco-city, Tourism Area Project	Residential	2019	20,305	49,735	–	35.7
Tianjin Olympic New Era (Jinghai District, Tuanboyishan County Project)	Residential	2019	55,800	139,400	–	40.0
Tianjin Hexi District, Diecai Road Project	Residential	2021	24,000	48,000	–	35.0
Qingdao CIFI Yinshengtai Starry City	Residential	2019	104,900	187,000	185,764	50.0
Qingdao CIFI Yinshengtai Zhengyang Mansion	Residential	2020	98,600	243,700	51,772	50.0
Qingdao Fairview Park Mansion (Jiaozhou City, Taihu Road Project)	Residential/ Commercial	2021	156,400	299,200	–	50.0
Qingdao Boguanxinghai	Residential	2020	42,700	93,600	43,483	100.0
Qingdao Boguanyipin	Residential/ Commercial	2019	32,000	34,700	24,814	100.0
Jinan CIFI Stage (Licheng District, Fengshenlu Project)	Residential	2019	40,000	112,000	–	100.0
Jinan City of Starry Sky (Licheng District, Hancanghe Project)	Residential/ Commercial	2021	126,600	278,600	–	22.5
Jinan Boguanshanyue	Residential	2020	24,900	60,300	4,969	51.0
Jinan Ruigongguan	Residential	2021	37,800	128,600	–	100.0
Shijiazhuang Wise Mansion (Yuhua District, Nanli Village Project)	Residential/ Commercial	2020	28,700	92,200	–	65.0
Dalian Family Villa (Shahekou District, Police Affairs Training Base Project)	Residential/ Commercial	2019	16,100	16,300	–	100.0
Linyi Xinghe City	Residential/ Commercial	2021	203,100	408,700	83,416	25.5
Linyi CIFI Yinshengtai Boguanxincheng East	Residential	2019-2020	86,700	153,000	–	70.0
Linyi CIFI Yinshengtai Boguanxincheng West	Residential	2020	59,900	221,100	–	70.0
Linyi Luozhuang District, Huawu Road Project	Residential/ Commercial	2020-2021	74,600	186,400	–	100.0
Yantai Development Zone, A2 & A10 Project	Residential/ Commercial	2021-2022	189,100	378,200	–	100.0

Project	Primary Intended use of the Project	Estimated Year of Completion	Site Area (sq.m.)	Total GFA under development and held for future development (excluding carparks)	Pre-sold (sq.m.)	Interest attributable to the Group (%)
				(sq.m.)		
Weifang Waterfront Mansion (Kuiwen District, Jinma Road Project)	Residential	2020	68,800	151,500	24,145	40.0
Zibo Starry City (High-tech Zone, Huabei Road Project)	Residential	2019	33,600	67,300	28,674	100.0
Jining City of Starry Life (High-tech Zone, Fangyuanxinju South Project)	Residential	2020	58,400	64,200	–	55.0
<i>Central Western Region</i>						
Chongqing CIFI The essence of River	Residential	2020	26,400	105,600	99,707	50.0
Chongqing CIFI Jiangzhou Impression	Residential	2022	128,000	473,600	130,498	35.0
Chongqing CIFI Waves River	Residential	2021	293,000	759,800	227,993	33.3
Chongqing CIFI Panorama (Yubei District, Huayu Lijia Project)	Residential/ Commercial	2022	221,100	601,600	193,963	30.0
Chongqing Yuzhong District, Shidaitianje Project	Residential	2020	14,400	60,000	–	33.0
Chongqing Superstar (Jiangbei District, Dashiba Project)	Residential	2019	4,500	15,700	3,213	100.0
Chongqing Shapingba District, F6-1/F7 Project	Residential/ Commercial	2019	8,500	27,700	–	50.0
Chongqing Verdant Landscape (Banan District, Yu Dong No. 18032 Project)	Residential	2020-2021	200,200	389,500	4,182	100.0
Chongqing Cloud Poem (Banan District, Yudong Xiaonanhai 18051 Project)	Residential	2020	92,000	230,000	4,109	35.0
Chongqing Nature Grace (Liangjiang New Area, Yuelai 18061 Project)	Residential/ Commercial	2019-2021	162,000	444,600	–	33.3
Chongqing The Landscape (Liangjiang New Area, Yuelai 18065 Project)	Residential/ Commercial	2019-2021	161,700	387,300	–	33.3
Wuhan Hanyang District, Hanqiao Village Project Section B	Residential/ Commercial	2019-2021	103,822	481,010	–	55.0
Wuhan Noble Wonderland (Hongshan District, Qingling Village K1-2-4 Project)	Residential/ Commercial	2021	247,500	784,800	–	34.7
Wuhan Hongshan District, Qingling Village, K3 Project	Residential	2021	204,600	658,800	–	51.0
Wuhan CIFI Jiangxia Palace (Jiangxia District, Qixin Village Project)	Residential	2020	70,200	238,400	16,093	50.0
Changsha Henderson Arch of Triumph	Residential/ Commercial	2018-2019	N/A	230,222	227,904	30.0
Changsha Kaifu District, Dadi Project	Residential	2018-2019	518,697	830,356	65,499	50.0
Changsha CIFI City Mansion (Tianxin District, Aoyuan South Project)	Residential/ Commercial	2019	30,100	90,200	–	70.0
Xi'an CIFI Park Avenue (Chanba Ecological District Project)	Office/Commercial	2019	27,500	151,100	–	49.0
Xi'an CIFI Honor Mansion (New Area District, Daming Palace Residential Project)	Residential	2020	30,700	107,500	–	70.0
Xi'an Essence Mansion (Changning New District 31 mu Project)	Residential	2019	20,600	41,200	12,159	34.0

Project	Primary Intended use of the Project	Estimated Year of Completion	Site Area	Total GFA under development and held for future development (excluding carparks)	Pre-sold	Interest attributable to the Group
				(sq.m.)		
Xi'an Landscape (Xixian New Area, Qinhan Lanchi 2nd Avenue Project)	Residential	2020-2023	200,300	387,900	12,599	48.0
Chengdu Glorious Flower City (Chenghua District, Jinxiuhuacheng Project)	Residential	2019	84,900	169,800	36,547	30.0
Chengdu Chenghua District, Beichengzhongyang Project	Residential/ Commercial	2020	42,400	202,300	–	30.0
Chengdu Rivera Impression (Wuhou District, Hongpailou Project)	Residential	2019	10,700	20,200	–	22.5
Chengdu Tang Mansion (Shuangliu District, 75 Mu Project)	Residential/ Commercial	2019	49,800	99,600	–	34.0
Chengdu Jinniu District, Weijianian 102 mu Project	Residential	2020-2021	68,500	137,000	–	100.0
Yinchuan Jinfeng District, Yindi No.G-2018-20 Project	Residential	2020-2021	88,700	133,000	–	40.0
Yinchuan Jinfeng District, No. G2018-19 Project	Residential	2020-2021	101,400	152,100	–	40.0
Guiyang CIFI Skyline (Baiyun District, Yanshanhong Nanhu G(18)048 Project)	Residential/ Commercial	2020	64,300	199,200	16,114	100.0
Zhengzhou CIFI Grand Mansion	Residential	2020	69,400	173,600	13,549	60.0
Xuchang Anno Domini (Dongcheng District Project)	Residential	2020	55,300	159,800	–	100.0
Xiangtan Yuetang District, No. 2018-20 Project	Residential	2021-2022	66,600	186,500	–	50.0
<i>South China</i>						
Guangzhou CIFI Poly Flowers Bay (Liwan District No.111, Baihua Road, Bai Hua Xiang Liao Chang Project)	Residential	2019	31,900	143,600	–	23.5
Nanning CIFI Landscape (Liangqing District, GC2017-095 Project)	Residential	2020	25,900	67,500	–	100.0
Nanning City of Midea & CIFI (Xixiangtang District, Xiu'an Road 39 acres Project)	Residential	2020	26,300	65,800	–	50.0
Xiamen Xiangan District, 12 Mu Project	Residential	2020	8,100	19,400	–	100.0
Sanya Yalong Bay Project	Office/Commercial	2019	46,930	18,772	1,909	50.0
Foshan CIFI Homeland	Residential/ Commercial	2019-2020	114,319	285,796	131,505	100.0
Foshan Joy & Peace (Shunde District, Beijiao No. 005 Project)	Residential	2020	81,500	203,600	–	60.0
Foshan Sanshui District, Yundonghai Street No. 009 Project	Residential	2020	27,900	69,800	–	100.0
Foshan Gaoming District, Xijiang New Town Project	Residential	2021	81,100	243,400	–	34.0
Jiangmen Natural Gift (Heshan City, Fanguanyuedao Shoufu Project)	Residential	2020	51,200	153,700	–	49.0
Jiangmen The One Mansion (Pengjiang District No. 4 Project)	Residential	2020	60,500	166,400	4,035	40.0
Jiangmen Pengjiang District, No. 11 Project	Residential	2020	3,900	10,800	–	100.0
Zhongshan Nantou Town, Suixi Village Project	Residential	2020	26,300	65,900	–	100.0

Project	Primary Intended use of the Project	Estimated Year of Completion	Site Area (sq.m.)	Total GFA under development and held for future development (excluding car parks) (sq.m.)	Pre-sold (sq.m.)	Interest attributable to the Group (%)
Zhongshan Nantou Town, Suixi Village No.162-163 Project	Residential	2020	39,800	99,400	–	33.0
Zhongshan Nantou Town, Suixi Village No. W02-17-0135 Project	Residential	2021	11,000	33,100	–	33.0
Zhongshan Nantou Town, Suixi Village No. W02-17-0137 Project	Residential	2020	34,300	85,700	–	22.0
Quanzhou Shishi CIFI City, (Baogai Town No. 2017S-40 Project)	Residential	2020	68,000	169,900	8,112	100.0
Dongguan Landscape (Shipai Village, No. 25 Project)	Residential	2020	33,900	84,700	–	100.0
Hong Kong Maya	Residential	2020	3,816 sq.m. (41,080 sq.ft.)	Net saleable area: 21,368 sq.m. (230,000 sq.ft.)	–	50.0
Carpark				6,127,523	290,595	
TOTAL GFA of Properties under development and held for future development				33,855,632	5,791,100	
GRAND TOTAL (Completed, under development and for future development)				41,159,249		

## Land acquisition in 2018

In 2018, the Group acquired interests in a total of 93 new projects. During the year, the Group continued utilizing joint ventures strategies to jointly develop the newly acquired projects.

Total planned GFA of the Group's land acquisition in 2018 amounted to approximately 12.4 million sq.m., out of which 7.1 million sq.m. were attributable to the Group's equity interests. Total contracted consideration of the Group's land acquisition amounted to approximately RMB76,868 million, out of which RMB41,113 million were payable by the Group according to its equity interests in relevant projects. Based on the Group's attributable GFA acquired and the attributable acquisition considerations, the Group's average land acquisition cost in 2018 was approximately RMB6,190 per sq.m.

**Table 5: The Group's land acquisition in 2018**

City	Project	Intended Primary Use	The Group's equity interest	Site area	Planned GFA (excluding carparks)	Attributable planned GFA (excluding carparks)	Total consideration	Attributable consideration	Average land cost (excluding carparks)
			(%)	(sq.m.)	(sq.m.)	(sq.m.)	(RMB)	(RMB)	(RMB/sq.m.)
Hangzhou	Linan District, Tianmushan Project	Commercial	100%	1,195,200	49,900	49,900	159,830,000	159,830,000	3,203
Hangzhou	Linan District, Yuqian Project	Commercial	100%	755,400	35,900	35,900	68,620,000	68,620,000	1,911
Hangzhou	Linan District, Qingshanhu, Keji Cheng Project	Residential	50%	63,500	158,700	79,400	1,763,500,000	881,750,000	11,112
Taizhou	Jiaojiang District, Hongjia Street Project	Residential/Commercial	95%	28,200	57,400	54,500	346,200,000	328,890,000	6,031
Hefei	Luyang District, No.1704 Project	Residential	51%	92,200	174,200	88,800	1,784,700,000	910,200,000	10,245
Zhangjiagang	Nanhu Road, No. 2013-B28-A Project	Residential	100%	69,800	73,300	73,300	609,770,000	609,770,000	8,319
Zhangjiagang	Jingang Avenue, No. 2013-B27 Project	Residential	50%	27,100	40,600	20,300	287,460,000	143,730,000	7,080
Shanghai	Yangpu District, Dinghai Community Project	Office/Commercial	50%	36,500	109,500	54,800	2,980,000,000	1,490,000,000	27,215
Beijing	Chaoyang District, Sunhe Project	Residential	20%	53,500	58,900	11,800	3,365,000,000	673,000,000	57,131
Qingdao	Jiaozhou District, Boguanjinan East Project	Residential	100%	13,800	21,600	21,600	95,620,000	95,620,000	4,427
Qingdao	Jiaozhou District, Boguanjinan West Project	Residential	100%	63,700	136,200	136,200	402,520,000	402,520,000	2,955
Qingdao	Huangdao District, Boguanxinghai First Phase Project	Residential	100%	18,600	58,700	58,700	148,300,000	148,300,000	2,526
Qingdao	Huangdao District, Boguanxinghai Second Phase Project	Residential	100%	24,100	34,900	34,900	161,620,000	161,620,000	4,631
Qingdao	Chengyang District, Boguanyipin Project	Residential/Commercial	100%	32,000	34,700	34,700	154,740,000	154,740,000	4,459
Qingdao	Chengyang District, Dejun Fifth Phase Project	Residential	100%	106,700	70,500	70,500	173,820,000	173,820,000	2,466
Qingdao	Chengyang District, Shuxiangjiayuan Project	Residential	100%	87,400	44,200	44,200	304,320,000	304,320,000	6,885
Jinan	Shizhong District, Boguanshanyue Project	Residential	51%	24,900	60,300	30,800	185,730,000	94,720,000	3,080
Linyi	Beicheng District, Boguanxincheng East Project	Residential	70%	86,700	153,000	107,100	291,890,000	204,320,000	1,908
Linyi	Beicheng District, Boguanxincheng West Project	Residential	70%	59,900	221,100	154,800	302,370,000	211,660,000	1,368
Jiaxing	Jiashan County, No. 2012-42 Project	Residential	49%	25,100	45,200	22,148	401,860,000	196,910,000	8,891
Jiaxing	Jiashan County, No. 2016-7 Project	Residential	49%	14,500	29,000	14,200	232,080,000	113,720,000	8,003

City	Project	Intended Primary Use	The Group's	Planned GFA	Attributable		Total	Attributable	Average
			equity interest		(excluding carparks)	planned GFA (excluding carparks)			
			(%)	(sq.m.)	(sq.m.)	(sq.m.)	(RMB)	(RMB)	(RMB/sq.m.)
Jiaxing	Jiashan County, Huimin Project	Residential	49%	58,900	106,000	51,900	789,260,000	386,740,000	7,446
Chongqing	Jiangbei District, Dashiba Project	Residential	100%	4,500	15,700	15,700	131,000,000	131,000,000	8,344
Chongqing	Shapingba District, F6-1/F7 Project	Residential/Commercial	50%	8,500	27,700	13,900	212,000,000	106,000,000	7,653
Wuhan	Jiangxia District, Qixin Village Project	Residential	50%	70,200	238,400	119,200	1,501,710,000	750,860,000	6,299
Hangzhou	Xiaoshan District, Shushan Project	Residential	50%	26,600	71,800	35,900	1,271,300,000	635,650,000	17,706
Shenyang	Tiexi District, Dongyang Zhigang Project	Residential/Commercial	40%	99,500	199,100	79,600	1,313,950,000	525,580,000	6,599
Jiaxing	Jiashan County, No. 34 Project	Residential	30%	35,600	89,100	26,700	630,750,000	189,230,000	7,079
Jiaxing	Jiashan County, No. 35 Project	Residential	29%	48,400	120,100	34,800	850,320,000	246,590,000	7,080
Wuxi	Jiangyin City Project	Residential	100%	126,300	220,000	220,000	1,565,580,000	1,565,580,000	7,116
Ningbo	Yuyao City, No.24 Project	Residential	50%	73,800	96,000	48,000	675,380,000	337,690,000	7,035
Ningbo	Yuyao City, No.25 Project	Residential	50%	65,800	105,300	52,700	762,880,000	381,440,000	7,245
Ningbo	Yuyao City, No.26 Project	Residential	50%	30,800	76,900	38,500	532,280,000	266,140,000	6,922
Ningbo	Yuyao City, No.27 Project	Residential	50%	13,800	22,100	11,100	134,360,000	67,180,000	6,080
Zhongshan	Nantou Town, Suixi Village No.162-163 Project	Residential	33%	39,800	99,400	32,800	529,000,000	174,570,000	5,322
Qingdao	Huangdao District, Shuxiang bancheng F2 Project	Residential	55%	31,600	47,400	26,100	130,800,000	71,940,000	2,759
Quanzhou	Shishi City, Baogai Town No. 2017S-40 Project	Residential	100%	68,000	169,900	169,900	1,075,000,000	1,075,000,000	6,327
Nantong	Gangzha District, No. R18013 Project	Residential	51%	56,500	78,400	40,000	849,750,000	433,370,000	10,839
Xuchang	Dongcheng District Project	Residential	100%	55,300	159,800	159,800	601,100,000	601,100,000	3,762
Chongqing	Banan District, Yu Dong No. 18032 Project	Residential	100%	200,200	389,500	389,500	1,620,000,000	1,620,000,000	4,159
Zibo	High-tech Zone, Huabei Road Project	Residential	100%	33,600	67,300	67,300	120,800,000	120,800,000	1,795
Nanchang	High-tech Zone No. 49 Project	Residential	34%	28,000	50,400	17,100	147,310,000	50,090,000	2,923
Zhenjiang	Jurong city, Baohua Mudan Road West Side Project	Residential	33%	52,400	131,000	43,200	790,800,000	260,960,000	6,037



City	Project	Intended Primary Use	The Group's	Planned GFA	Attributable		Total	Attributable	Average
			equity interest		Site area	(excluding carparks)			planned GFA (excluding carparks)
			(%)	(sq.m.)	(sq.m.)	(sq.m.)	(RMB)	(RMB)	(RMB/sq.m.)
Zhongshan	Nantou Town, Suixi Village No. W02-17-0135 Project	Residential	33%	11,000	33,100	10,900	148,890,000	49,130,000	4,498
Zhongshan	Nantou Town, Suixi Village No. W02-17-0137 Project	Residential	22%	34,300	85,700	18,900	326,440,000	71,820,000	3,809
Changzhou	Tianning District, Changgaoji South Project	Residential	100%	68,000	149,600	149,600	1,530,000,000	1,530,000,000	10,227
Foshan	Shunde District, Beijiao No. 005 Project	Residential	60%	81,500	203,600	122,160	1,980,000,000	1,188,000,000	9,725
Jining	High-tech Zone, Fangyuanxinju South Project	Residential	55%	58,400	64,200	35,300	139,540,000	76,750,000	2,174
Quzhou	Kecheng District, Railway Station Wanda East Project	Residential/Commercial	50%	97,600	182,100	91,100	911,000,000	455,500,000	5,003
Xuzhou	Gulou District, Huanghe North Road Project	Residential/Commercial	49%	62,600	163,500	80,100	1,560,000,000	764,400,000	9,541
Xuzhou	Xingshanzi Industrial Park, Dasanjiao Project	Residential	50%	57,400	160,800	80,400	762,600,000	381,300,000	4,743
Jiangmen	Heshan City, Fangyuanyuedao Shoufu Project	Residential	49%	51,200	153,700	75,300	889,250,000	435,730,000	5,786
Weifang	Kuiwen District, Jinma Road Project	Residential	40%	68,800	151,500	60,600	621,670,000	248,670,000	4,103
Nanjing	Jiangning District, Jiulong Lake G58 Project	Office/Commercial	33%	26,700	133,300	44,000	615,000,000	202,950,000	4,614
Chongqing	Banan District, Yudong Xiaonanhai 18051 Project	Residential	35%	92,000	230,000	80,500	581,670,000	203,580,000	2,529
Shenyang	Shenhe District, Tuanjie Road No. 59 Project	Residential	100%	29,400	223,600	223,600	1,073,370,000	1,073,370,000	4,800
Xi'an	Changning New District 31 mu Project	Residential	34.0%	20,600	41,200	14,000	125,000,000	42,500,000	3,034
Hangzhou	Lin'an District, Qingshan Lake Sci-tech City Light Rail Project	Residential/Commercial	50.0%	120,800	333,400	166,700	1,775,000,000	887,500,000	5,324
Xuzhou	Tongshan District, No.36 Project	Residential	50.0%	48,000	96,000	48,000	192,160,000	96,080,000	2,002
Jiangmen	Pengjiang District No. 4 Project	Residential	40.0%	60,500	166,400	66,600	1,146,850,000	458,740,000	6,892
Wuhu	Yijiang District, Yuanmutang Project	Residential	40.0%	124,100	272,900	109,200	1,486,850,000	594,740,000	5,448
Chongqing	Liangjiang New Area, Yuelai 18061 Project	Residential/Commercial	33.3%	162,000	444,600	148,100	2,450,000,000	815,850,000	5,511
Chongqing	Liangjiang New Area, Yuelai 18065 Project	Residential/Commercial	33.3%	161,700	387,300	129,000	2,320,000,000	772,560,000	5,990

City	Project	Intended Primary Use	The Group's	Site area	Planned GFA	Attributable	Total	Attributable	Average
			equity interest		(excluding carparks)	planned GFA (excluding carparks)			consideration
			(%)	(sq.m.)	(sq.m.)	(sq.m.)	(RMB)	(RMB)	(RMB/sq.m.)
Wenzhou	Oujiang River Estuary Area, C-03AE Project	Residential	34.0%	131,100	219,900	74,800	431,000,000	146,540,000	1,960
Wenzhou	Oujiang River Estuary Area, C-11FH Project	Residential	34.0%	148,400	178,100	60,600	466,000,000	158,440,000	2,617
Wenzhou	Oujiang River Estuary Area, C-05A Project	Residential	31.0%	141,800	212,700	65,900	466,000,000	144,460,000	2,191
Hangzhou	Xiaoshan District, Shushan Unit, Zengjiaqiao Project	Residential	53.3%	98,300	275,100	146,600	3,706,750,000	1,975,700,000	13,474
Foshan	Sanshui District, Yundonghai Street No. 009 Project	Residential	100.0%	27,900	69,800	69,800	494,600,000	494,600,000	7,086
Guiyang	Baiyun District, Yanshanhong Nanhu G(18)048 Project	Residential/Commercial	100.0%	64,300	199,200	199,200	579,960,000	579,960,000	2,911
Wenzhou	Yueqing City, Central District, E-b11-1 Project	Residential	33.0%	25,300	65,800	21,700	691,000,000	228,030,000	10,502
Kunshan	Bacheng County No.12-8 Project	Residential	31.1%	128,200	248,800	77,400	1,451,100,000	451,290,000	5,832
Jiangmen	Pengjiang District, No. 11 Project	Residential	100.0%	3,900	10,800	10,800	58,550,000	58,550,000	5,421
Xi'an	Xixian New Area, Qinhan Lanchi 2nd Avenue Project	Residential	48.0%	200,300	387,900	186,200	698,010,000	335,040,000	1,799
Hangzhou	Lin'an District, Wuyue Mansion North Project	Residential	50.0%	11,600	23,300	11,700	218,920,000	109,460,000	9,396
Xiangtan	Yuetang District, No. 2018-20 Project	Residential	50.0%	66,600	186,500	93,300	721,960,000	360,980,000	3,871
Yinchuan	Jinfeng District, Yindi No.G-2018-20 Project	Residential	40.0%	88,700	133,000	53,200	364,480,000	145,790,000	2,740
Tianjin	Hexi District, Diecai Road Project	Residential	35.0%	24,000	48,000	16,800	1,164,690,000	407,640,000	24,264
Wenzhou	Cannan County, Taishang Town Project	Residential	35.0%	47,200	103,900	36,400	991,630,000	347,070,000	9,544
Suzhou	Taicang County, Chengxiang No. 3 Project	Residential	33.3%	49,000	83,400	27,800	629,010,000	209,460,000	7,542
Jiaxing	Jiashan County, No. 2016-52-1 Project	Residential	30.0%	43,100	107,700	32,300	765,500,000	228,760,000	7,080
Wuxi	Binhu District, Heliekou Project	Residential	50.0%	21,600	43,200	21,600	630,000,000	315,000,000	14,583
Changzhou	Zhonglou District, Huanhua Project	Residential	40.0%	51,600	113,500	45,400	850,000,000	340,000,000	7,489
Hefei	Xinzhan District, No. XZQTD238 Project	Residential	34.0%	86,000	154,800	52,600	838,620,000	285,130,000	5,417
Yinchuan	Jinfeng District, No. G2018-19 Project	Residential	40.0%	101,400	152,100	60,800	459,830,000	183,930,000	3,023

City	Project	Intended Primary Use	The Group's equity interest	Site area	Planned GFA	Attributable planned GFA	Total consideration	Attributable consideration	Average land cost
			(%)		(excluding carparks)	(excluding carparks)			(RMB)
				(sq.m.)	(sq.m.)	(sq.m.)	(RMB)	(RMB)	(RMB/sq.m.)
Nanning	Xixiangtang District, Xiu'an Road 39 acres Project	Residential	50.0%	26,300	65,800	32,900	314,880,000	157,440,000	4,785
Chengdu	Jinniu District, Weijianian 102 mu Project	Residential	100.0%	68,500	137,000	137,000	1,383,900,000	1,383,900,000	10,101
Jinan	Huaiyin District, Ruigongguan Project	Residential	100.0%	37,800	128,600	128,600	1,089,420,000	1,089,420,000	8,471
Yantai	Development Zone, A2 & A10 Project	Residential/Commercial	100.0%	189,100	378,200	378,200	832,000,000	832,000,000	2,200
Linyi	Luozhuang District, Huawu Road Project	Residential/Commercial	100.0%	74,600	186,400	186,400	246,100,000	246,100,000	1,320
Hangzhou	Yuhang District, Chaoshan No.13 Project	Residential	49.0%	62,200	87,100	42,700	921,690,000	451,630,000	10,582
Suzhou	Huqiu District, No. 60 Project	Residential	35.0%	80,700	169,400	59,300	2,311,970,000	809,010,000	13,645
Jiaxing	Jiashan County, Yaozhuang No. 2018-6 Project	Residential	50.0%	39,100	78,130	39,100	512,920,000	256,460,000	6,565
Foshan	Gaoming District, Xijiang New Town Project	Residential	34.0%	81,100	243,400	82,800	1,490,000,000	506,600,000	6,122
TOTAL					12,417,100	7,098,200	76,868,050,000	41,113,110,000	6,190

**Land acquisition subsequent to 31 December 2018 (and up to the announcement date)**

Suzhou	Wuzhong District, Xukou Town, No.2018-WG-32 Sunwu Road Project	Residential	100%	45,200	76,800	76,800	719,130,000	719,130,000	9,364
Suzhou	Wuzhong District, Mudu Town, No.2018-WG-41 Jinmao Road Project	Residential	100%	46,600	102,600	102,600	1,455,600,000	1,455,600,000	14,187
Suzhou	Wuzhong District, Luzhi Town, No.2018-WG-43 North Yanli Project	Residential	100%	45,100	99,200	99,200	1,113,220,000	1,113,220,000	11,222
Wuhan	Hanyang Village, Shuguang Village Project	Residential	100%	100,100	521,600	521,600	4,056,920,000	4,056,920,000	7,778
Changsha	Changsha County, No. 081 Project	Residential	100%	63,900	192,000	192,000	764,620,000	764,620,000	3,982
Shenyang	Huanggu District, West Rail Yard Project	Residential	100%	6,500	19,600	19,600	85,110,000	85,110,000	4,342
Shanghai	Pudong New Area, Yangjing Subdistrict, C000204 Project	Commercial	50%	3,700	3,000	1,500	61,900,000	30,950,000	20,633
Kunming	Economic and Technological Development Zone, KCJ2018-5 Project	Residential	51%	71,800	179,500	91,500	425,490,196	217,000,000	2,370
Tianjin	Binhai New Area, Tanggu Bay Project	Residential	100%	41,600	62,400	62,400	333,000,000	333,000,000	5,337
Nanchang	Honggutan New District, 2019003 Project	Residential	100%	96,100	211,500	211,500	605,590,000	605,590,000	2,864
Shanghai	Pudong New Area, Pujiang Overseas Chinese Town Project	Office/Commercial	30%	38,100	95,900	28,800	1,237,100,000	371,130,000	12,900
					1,564,100	1,407,500	10,857,680,000	9,752,270,000	6,942

## LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

### Cash position

As at 31 December 2018, the Group had cash and bank balances of approximately RMB43,327.6 million (31 December 2017: approximately RMB29,786.9 million) and pledged bank deposits of approximately RMB1,290.0 million (2017: nil).

### Indebtedness

As at 31 December 2018, the Group had outstanding total borrowings amounted to approximately RMB77,865.0 million (31 December 2017: RMB47,239.1 million), comprising bank and other loans of approximately RMB49,903.6 million (31 December 2017: RMB33,113.0 million), onshore corporate bonds with carrying amounts of RMB11,760.1 million (31 December 2017: RMB9,628.0 million), convertible bonds with carrying amount of RMB907.7 million (31 December 2017: nil) and offshore senior notes with carrying amounts of RMB15,293.6 million (31 December 2017: RMB4,498.1 million).

#### *Table 7: Breakdown of indebtedness*

##### *By type of borrowings and maturity*

	At 31 December 2018 <u>RMB'000</u>	At 31 December 2017 <u>RMB'000</u>
<b>Onshore bank loans</b>		
Within one year	4,264,171	3,253,907
Over one years and within two years	9,323,378	1,895,410
Over two years and within three years	13,179,872	6,775,429
Over three years and within four years	3,706,300	2,080,000
Over four years and within five years	660,000	3,300,241
Over five years	416,170	402,910
<b>Subtotal</b>	<b>31,549,891</b>	<b>17,707,897</b>
<b>Onshore corporate bonds</b>		
Within one year	3,646,140	5,093,233
Over one years and within two years	3,886,550	–
Over two years and within three years	4,227,447	–
Over three years and within four years	–	4,534,737
<b>Subtotal</b>	<b>11,760,137</b>	<b>9,627,970</b>

	At 31 December 2018 <u>RMB'000</u>	At 31 December 2017 <u>RMB'000</u>
<b>Offshore bank loans</b>		
Within one year	4,578,200	3,473,201
Over one years and within two years	8,859,536	3,661,247
Over two years and within three years	4,915,933	7,092,762
Over three years and within four years	–	1,177,908
<b>Subtotal</b>	<b>18,353,669</b>	<b>15,405,118</b>
<b>Debt component of convertible bonds</b>		
Within one year	907,724	–
<b>Subtotal</b>	<b>907,724</b>	<b>–</b>
<b>Offshore senior notes</b>		
Over one years and within two years	5,897,068	–
Over two years and within three years	3,450,757	2,651,344
Over three years and within four years	3,877,490	–
Over four years and within five years	2,068,299	1,846,780
<b>Subtotal</b>	<b>15,293,614</b>	<b>4,498,124</b>
<b>TOTAL</b>	<b>77,865,035</b>	<b>47,239,109</b>
<i>By currency denomination</i>		
	<u>31.12.2018</u>	<u>31.12.2017</u>
	<u>RMB'000</u>	<u>RMB'000</u>
Analysis of borrowings by currency		
– Denominated in RMB	45,124,929	28,270,867
– Denominated in USD	22,876,919	12,740,798
– Denominated in HKD	9,841,840	6,227,444
– Denominated in other currencies	21,347	–
	<b>77,865,035</b>	<b>47,239,109</b>
<i>By fixed or variable interest rates</i>		
	<u>31.12.2018</u>	<u>31.12.2017</u>
	<u>RMB'000</u>	<u>RMB'000</u>
Fixed interest rates	34,807,640	17,505,439
Variable interest rates	43,057,395	29,733,670
	<b>77,865,035</b>	<b>47,239,109</b>

### *Secured versus unsecured*

	<u>31.12.2018</u>	<u>31.12.2017</u>
	<i>RMB'000</i>	<i>RMB'000</i>
Secured	<b>36,754,386</b>	22,493,276
Unsecured	<b>41,110,649</b>	24,745,833
	<b><u>77,865,035</u></b>	<b><u>47,239,109</u></b>

### **Cost of borrowings**

The Group's total finance costs expensed and capitalized in 2018 was approximately RMB4,388.6 million, representing an increase of 89.9% from RMB2,310.8 million in 2017. The increase was due to the increase of the Group's total indebtedness level.

The Group's weighted average cost of all indebtedness (including bank and other loans, onshore corporate bonds and offshore senior notes) as at 31 December 2018 was 5.8%, compared to 5.2% as at 31 December 2017. The increase in weighted average cost of indebtedness during the period was primarily attributable to the increase in global market interest rates.

### **Foreign currency risk**

The Group conducts its business primarily in Renminbi. The Group's certain bank deposits are denominated in Hong Kong dollars and United States dollars, and the majority of the Group's offshore bank loans and senior notes are denominated in United States dollars and Hong Kong dollars. Certain of the Group's property projects are located in Hong Kong and are denominated in Hong Kong dollars.

Starting in early 2016, the Group has adopted a hedging policy to actively manage its currency risk exposure concerning non-RMB denominated indebtedness. The Group may, depending on the circumstances and trend of currency rates, consider and enter into hedging arrangements to mitigate the impact of RMB depreciation.

It is the Group's policy to utilize the most appropriate and cost effective hedging instruments to hedge its currency risk exposure of non-RMB denominated indebtedness. The Group's hedging arrangements shall, to the extent possible, match the value and the maturity of the relevant non-RMB denominated indebtedness being hedged.

Based on the above policy, the Group has entered into US dollar versus offshore RMB capped forward contracts to hedge certain of its foreign currency exposure in non-RMB denominated indebtedness.

Certain currency capped forward contracts entered into have “capped gain” feature; on the expiry date:

- if the then prevailing US dollar versus offshore RMB exchange rate (“Expiry Rate”) is less than or equal to the pre-specific capped gain rate (“Capped Gain Rate”), the Group shall buy the contract amount of US dollar against offshore RMB at the pre-specified contract rate (“Strike Rate”); or
- if the Expiry Rate is greater than the Cap Rate, the Group shall receive the amount of relevant depreciation amount of offshore RMB against US dollar up to the Cap Gain Rate (“Capped Gain Amount”).

Certain capped forward contracts that we entered into have additional “capped loss” feature; on the expiry date:

- if the Expiry Rate is between the Capped Gain Rate and the pre-specific capped loss rate (“Capped Loss Rate”) or equal to either rates, the Group shall buy the contract amount of US dollar against offshore RMB at the Strike Rate; or
- if the Expiry Rate is greater than the Cap Gain Rate, the Group shall receive Capped Gain Amount; or
- if the Expiry Rate is lower than the Cap Loss Rate, the Group shall pay the amount of relevant appreciation amount of offshore RMB against US dollar up to the Cap Rate (“Capped Loss Amount”).

The capped forward contracts utilized by the Group had contract values and expiry dates matching the outstanding amounts and maturity dates of the specific US dollar or Hong Kong dollar denominated indebtedness being hedged. These capped forward contracts enable the Group to lock-in to the relevant pre-specified Strike Rate of US dollar versus RMB exchange rate for the repayment of its outstanding non-RMB denominated indebtedness. However, the Group’s protection against RMB depreciation will be limited up to the extent of the relevant Capped Gain Rates.

Other than those disclosed above, the Group did not have any other material exposures to foreign exchange fluctuations or any other hedging arrangements as at 31 December 2018. The Group will monitor its foreign currency exposure closely and may, depending on the circumstances and trend of foreign currencies, consider adjusting its foreign currency hedging policy in the future.

## **Financial guarantees**

The Group has provided mortgage guarantees to PRC banks in respect of the mortgage loans provided by the PRC banks to the Group's customers. The Group's mortgage guarantees are issued from the dates of grant of the relevant mortgage loans and released upon the earlier of (i) the relevant property ownership certificates being obtained and the certificates of other interests with respect to the relevant properties being delivered to the mortgagee banks, or (ii) the settlement of mortgage loans between the mortgagee banks and the Group's customers. As at 31 December 2018, the Group provided mortgage guarantees in respect of mortgage loans provided by the PRC banks to the Group's customers amounting to approximately RMB19,067.9 million (versus 31 December 2017: approximately RMB12,714.6 million).

During the year, certain of the Group's joint ventures and associates have utilized offshore and/or onshore bank loans. The Company provided guarantees on several basis covering its respective equity shares of outstanding obligations under certain offshore and/or onshore bank loans incurred by its joint ventures and associated companies. As at 31 December 2018, the Group's aggregate share of such guarantees provided in respect of loans incurred by these joint ventures and associate companies amounted to approximately RMB8,431.9 million (31 December 2017: approximately RMB2,631.9 million).

## **Gearing ratio**

The Group's net debt-to-equity ratio (total indebtedness net of bank balances and cash divided by total equity) was approximately 67.2% as at 31 December 2018, versus approximately 50.9% as at 31 December 2017. The Group's debt-to-asset ratio (total indebtedness divided by total assets) was approximately 32.3% as at 31 December 2018 versus approximately 31.3% as at 31 December 2017. The Group's current ratio (current assets divided by current liabilities) was approximately 1.7 times as at 31 December 2018, versus approximately 1.6 times as at 31 December 2017.

## **HUMAN RESOURCES AND COMPENSATION POLICY**

As at 31 December 2018, the Group's property development and property investment business had approximately 7,300 full-time employees in China including Hong Kong, among which approximately 7,120 employees worked for the property development business, approximately 180 for the commercial property leasing business.

The Group remunerates its employees based on their performance, working experience and the prevailing market wage level. The total remuneration of the employees consisted of basic salary, cash bonus and share-based incentives.

## **PAYMENT OF FINAL DIVIDEND**

The Board recommends the payment of the Proposed Final Dividend for 2018 (payable in cash with a scrip option) of RMB19.68 cents per share. The Proposed Final Dividend declared in RMB is proposed to be paid in Hong Kong dollars equivalent to HK23 cents per share, which is based on the average middle rate of RMB to Hong Kong dollars as announced by the People's Bank of China for the five business days preceding the date of the Annual Results Announcement for 2018.



Subject to the approval of the Proposed Final Dividend by the shareholders at the annual general meeting to be held on Tuesday, 14 May 2019 (the “2019 AGM”), the Proposed Final Dividend will be payable in cash but shareholders will have an option to receive the Proposed Final Dividend in form of new fully paid shares of the Company (“scrip shares”) in lieu of cash, or partly in cash and partly in scrip shares (the “Scrip Dividend Scheme”).

The Scrip Dividend Scheme is conditional upon the passing of the resolution relating to the payment of the Proposed Final Dividend at the 2019 AGM and the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the new shares to be issued under the Scrip Dividend Scheme.

A circular containing details of the Scrip Dividend Scheme together with relevant election form will be dispatched to the shareholders on or about Wednesday, 5 June 2019. It is expected that the cheques for cash dividends or, if scrip shares are elected, the certificates for the scrip shares will be sent on Wednesday, 3 July 2019 to the shareholders whose names appear on the register of members of the Company on Thursday, 30 May 2019.

## **CLOSURE OF THE REGISTER OF MEMBERS**

### **(a) For determining the entitlement to attend and vote at the 2019 AGM**

The register of members of the Company will be closed from Wednesday, 8 May 2019 to Tuesday, 14 May 2019, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to determine the identity of members who are entitled to attend and vote at the 2019 AGM, all share transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 7 May 2019.

### **(b) For determining the entitlement to the Proposed Final Dividend**

The register of members of the Company will be closed from Wednesday, 29 May 2019 to Thursday, 30 May 2019, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to qualify for the Proposed Final Dividend, all share transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 28 May 2019.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year, the Company purchased a total of 27,316,000 shares of the Company on the Stock Exchange at an aggregate consideration of approximately HK\$85,618,680 and all the 27,316,000 repurchased shares were cancelled on delivery of the share certificates. The repurchases were effected by the Directors for the enhancement of shareholders' value. Details of the repurchases are as follows:

Month	Total number of shares	Highest price	Lowest price	Approximate
		paid per share	paid per share	aggregate
		HK\$	HK\$	consideration
				HK\$
October 2018	27,316,000	3.35	2.89	85,618,680

In October 2018, the Company purchased on-market an aggregate principal amount of HK\$911 million of the Convertible Bonds for a total consideration of HK\$910,986,690 and in December 2018, the Company purchased an aggregate principal amount of HK\$851 million of the Convertible Bonds for a total consideration of HK\$859,510,000 from the eligible holders of the Convertible Bonds by invitation. Thereafter, cancellation of the repurchased Convertible Bonds in the aggregate amount of HK\$1,762 million was completed by the Company. At the maturity of Convertible Bonds in February 2019, the remaining Convertible Bonds with an aggregate principal amount of HK\$1,024 million were delisted from SGX-ST and were redeemed by the Company at the Redemption Price of 101.5%.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year under review.

## CORPORATE GOVERNANCE

The Board is of opinion that the Company had adopted, applied and complied with the code provisions as set out in the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") during the year under review.

## MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Listing Rules as its own code of conduct of dealings in securities of the Company by the Directors. Upon specific enquiries of all the Directors, each of them has confirmed that he complied with the required standards set out in the Model Code during the year under review.

As required by the Company, relevant officers and employees of the Company are also bound by the Model Code, which prohibits them to deal in securities of the Company at any time when he possesses inside information in relation to those securities. No incident of non-compliance of the Model Code by the relevant officers and employees was noted by the Company.

## **DIRECTORS' INTERESTS IN COMPETING BUSINESS**

During the year, none of the Directors, the management shareholders of the Company nor their respective associates (as defined in the Listing Rules) had any interest in a business that competed or might compete with the business of the Group. In particular, Mr. LIN Zhong, Mr. LIN Wei and Mr. LIN Feng, being the executive Directors and the controlling shareholders of the Company, declared that they did not engage in business that competed or might compete with the business of the Group during the year and they have complied with the undertakings given under the Deed of Non-competition as disclosed in the prospectus of the Company dated 13 November 2012. The independent non-executive Directors did not notice any incident of non-compliance of such undertakings.

## **REVIEW OF ANNUAL RESULTS**

The audit committee of the Company (the "Audit Committee") consists of three independent non-executive Directors, Mr. TAN Wee Seng (being the chairman of the Audit Committee), Mr. GU Yunchang and Mr. ZHANG Yongyue. The Audit Committee is satisfied with its review of the remuneration and the independence of the auditor, Deloitte Touche Tohmatsu, and recommended the Board to re-appoint Deloitte Touche Tohmatsu as the Company's auditor for 2019, which is subject to the approval of the shareholders of the Company at the 2019 AGM. The Company's annual results for the year ended 31 December 2018 have been reviewed by the Audit Committee, which opines that applicable accounting standards and requirements have been complied with and that adequate disclosures have been made.

## **THE BOARD OF DIRECTORS**

As at the date of this announcement, the Board consisted of nine Directors comprising Mr. LIN Zhong (Chairman), Mr. LIN Wei (Vice-chairman), Mr. LIN Feng (Chief Executive Officer), Mr. CHEN Dongbiao and Mr. YANG Xin as the executive Directors; Mr. WANG Wei as the non-executive Director; and Mr. GU Yunchang, Mr. ZHANG Yongyue and Mr. TAN Wee Seng as the independent non-executive Directors. The overall management and supervision of the Company's operation and the function of formulating overall business strategies were vested in the Board.

## **PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY**

This results announcement is published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at [www.cifi.com.cn](http://www.cifi.com.cn). The 2018 annual report will be dispatched to shareholders of the Company and available on the above websites in due course.

By order of the Board  
**CIFI Holdings (Group) Co. Ltd.**  
**LIN Zhong**  
*Chairman*

Hong Kong, 14 March 2019

*Notes:*

*The expression “we”, “us”, “CIFI” and “Company” may be used to refer to our Company or our Group as the context may require.*

*References to our “land bank”, “development projects”, “property projects” or “projects” refer to our property projects with land for which we have obtained land-use rights and property projects for which we have not obtained land-use rights but have entered into the land grant contracts or received successful tender auction confirmations as at the relevant dates.*

*The site area information for an entire project is based on the relevant land use rights certificates, land grant contracts or tender documents, depending on which documents are available. If more than one document is available, such information is based on the most recent document available.*

*The figures for GFA are based on figures provided in or estimates based on the relevant governmental documents, such as the property ownership certificate, the construction work planning permit, the pre-sale permit, the construction land planning permit or the land use rights certificate.*