

**Press Release**

**(For immediate release)**

## **Guorui Properties Announces 2016 Annual Results**

### **Contracted Sales Exceeds RMB 10 Billion with Industry-Leading Profitability**

Highlights of 2016 Annual Results :

<i>RMB Million</i>	For the year ended 31 December		Change
	2016	2015	
Contracted Sales	11,099	6,569	69%
Revenue	8,035	6,514	23%
Gross Profit	3,118	2,679	16%
Gross Profit Margin	39%	41%	-2 ppts
Profit Attributable to Owners of the Company	1,563	1,261	24%
Net Profit Margin	24%	24%	-
Basic EPS ( <i>RMB fen</i> )	35.38	28.62	24%

(27 March 2017, Hong Kong) **Guorui Properties Limited** (“Guorui” or the “Group”, stock code: 2329.HK) is pleased to announce that further progress was made in the implementation of its strategic plan in the twelve months ended 31 December 2016 (the “Period”). While strengthening core property operations, it vigorously promoted business diversification. As a result, its contracted sales for the Period exceeded RMB 10 billion for the first time, marking an important milestone for the corporate development.

In 2016, the Group maintained steady growth in its operating results. Revenue for the Period grew by 23% year-on-year to RMB 8.03 billion and gross profit advanced by 16% year-on-year to RMB 3.12 billion. Net profit increased by 24% year-on-year to RMB 1.96 billion, while core net profit increased by 9% year-on-year to RMB 1.317 billion. Basic earnings per share climbed 24% year-on-year to RMB 35.4 fen. The board of directors proposed paying a final dividend of HK 6.04 cents per share.

## **Regional market penetration strategy bore fruits with contracted sales exceeding RMB 10 billion**

Despite China's economy recovered slowly and experienced modest growth in 2016, property transaction volumes and prices spiraled upwards and the size of transactions hit a new high. The property market played a crucial role in stabilizing the economic growth. Last year marked an important milestone for the corporate development as the Group further implemented its strategic development plan by reinforcing core property operations and driving business transformation. The contracted sales for the Period exceeded RMB 10 billion for the first time and reached RMB 11.099 billion, up 69% from a year ago. Total contracted GFA surged by 60% year-on-year to hit a record high of 1.064 million sq.m.

During the year, the Group launched a total of 11 projects for sale. The projects in Beijing, Langfang, Haikou, Foshan and Shantou received overwhelming response in the market. Meanwhile, its stellar project Yongqing Ecological City attracted wide attention and achieved excellent sales performance resulting from collaborative development in the “Beijing, Tianjin and Hebei” region, such as the construction of Beijing New Airport, the opening of Beijing-Taiwan Expressway and the emergence of industrial cluster. This project alone contributed 38% to the Group's annual revenue from various cities.

In view of diverse development of different cities and high industry concentration, the Group enhanced its three major lines, i.e., high-end residential properties, residential properties for homebuyers with rigid demand, and residential properties for first-time homebuyers looking for improved living condition, in 2016. It strived to make breakthroughs in various business segments under the “Real Estate +” development model and to develop innovative projects as new growth drivers. During the Period, the Group leveraged its competitive advantages to promote featured towns and new complex projects according to local requirements. Under the “New Normal”, the government vigorously promoted the “City-Industry Integration” strategy in order to create a new mode of urbanization, which will drive the Group's business transformation and production innovation.

During the Period, the Group focused on the Pearl River Delta region, the Beijing-Tianjin-Hebei region and the Yangtze River Delta region. It further



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expanded in the cities of strategic importance in national policies. In 2016, it successfully established a foothold in Suzhou, a major city in the Yangtze River Delta region and acquired a project in Chongming Island, which symbolized a significant progress in its national develop strategy. As at 31 December 2016, the Group had land reserves with total GFA of approximately 8.55 million sq.m., which can meet the needs for its fascinating growth in next 3-5 years.

**Looking ahead, the Group will strive to make new breakthroughs with persistent development of innovative property projects**

Guided by visionary development plan for many years, the Group achieved major breakthroughs in 2016. Looking ahead, Guorui is expected to make new breakthroughs. **Mr. Zhang Zhangsun, Chairman of Guorui**, said, "The Group will step up innovation efforts in 2017 in order to make greater achievements. This year is critical for the implementation of our business diversification strategy. Our future growth will rest on the economies of scale, product innovation and business diversification. While scaling up our operations, we attach great importance to the quality of growth. Underpinned by core property business, the Group will implement collaborative development of various businesses and persistently pursue the development of innovative property operation. We will drive further breakthroughs in corporate operations and management, brand building and the acquisitions of land resources, thereby ensuring our long-term stable growth."

~End~

**About Guorui Properties Limited**

Guorui Properties Limited (stock code: 2329.HK) is a leading developer focusing on residential and city center area projects with an annual development capacity reaching over 3 million sq.m.. Currently, Guorui has more than 20 different real estate projects in 12 cities with substantial economic growth, including Beijing, Shenzhen, Haikou, Zhengzhou, Langfang, Foshan, Shantou, Xi'an and Shenyang. Proving consistent high-quality products and professional services, Guorui has built the brand awareness of "Guorui" in the mentioned areas. As at 31 December 2016, the Company's land reserves reached approximately 8.55 million sq.m., which can meet the requirements for its rapid development in the next three to five years.

Guorui Properties was listed on the Main Board of Hong Kong Stock Exchange on 7 July 2014, The Company was named as a constituent stock of the Hang Seng Composite Midcap Index. It was also included in the Shanghai-Hong Kong Stock Connect List of Eligible Stocks for Southbound Trading.

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