

Press Release

(For immediate release)

Guorui Properties' Contracted Sales for 2018 Surges Over 47% Y-o-Y to More Than RMB 21.9 Billion

***Management fully optimistic about the Group's future
development due to its sound financial position and rosy outlook***

(18 January 2019, Hong Kong) **Guorui Properties Limited** ("Guorui Properties" or the "Company", together with its subsidiaries collectively known as the "Group", stock code: 2329.HK) is pleased to announce that the Group's contracted sales for 2018 surged by nearly 47.3% year-on-year to approximately RMB 21.913 billion. Total contracted sales area amounted to approximately 1.304 million sq.m. and average contracted selling price was approximately RMB 16,804 per sq.m. As for its investment property business, the Group recorded contracted lease of investment properties of approximately RMB 1,462 million, with contracted leased area reached approximately 127,500 sq.m.

Accelerated cash collection as contracted sales in 2H gaining steam

The Group stepped up marketing efforts to expedite cash collection. In December 2018, it achieved contracted sales of RMB 7,466 million, up nearly 47.98% from a year ago. The contracted sales area for the month was approximately 179,900 sq.m. and the average contracted selling price was approximately RMB 41,490 per sq.m. Meanwhile, the contracted lease of its investment properties for the month was approximately RMB 13 million and contracted leased area was approximately 2,391 sq.m. In the second half of last year, the Group's contracted sales grew by 120.23% to RMB 15.07 billion when compared with RMB 6,843 million in the first half. The improvement in sales demonstrated that the Group's efforts to accelerate project sales produced satisfactory results.

Diversified financing channels with short-term debts under control

The Group actively diversified its financing channels and implemented various measures to ensure healthy cash flow, including the acceleration of cash collection from sales to repay debts, the replacement of short-term debts with long-term debts and the issuance of commercial mortgage-backed securities (CMBS). As a result, its net gearing ratio was lower than the industry average. The Group is stepping up



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efforts to enhance its financing activities. After completing the issuance of RMB 4.11 billion CMBS backed by Hademen Plaza in November 2018, its short-term debts were substantially reduced. Moreover, its debt structure was further optimized after the Company successfully issued US\$100 million senior note due 2020 in June last year.

The Company has noticed the fluctuations in its share price in recent days. Nevertheless, it would like to stress that its operations remain sound and the management is fully optimistic about its future development. Its cash collection is still normal and the short-term debt level is under control. None of its debts are in default and the Company's gearing ratio is lower than the industry average.

~End~

About Guorui Properties Limited

Guorui Properties Limited (stock code: 2329.HK) is a leading developer focusing on boutique residences and city center area projects with an annual development capacity reaching over 5 million sq.m. Currently, Guorui Properties has more than 30 different real estate projects in 17 cities with substantial economic growth, including Beijing, Shenzhen, Hebei, Suzhou, Haikou, Zhengzhou, Langfang, Foshan, Shantou, Xi'an and Shenyang. Its businesses cover the Beijing-Hebei-Tianjin Economic Zone, the Yangtze River Delta Economic Zone and the Pearl River Delta Economic Zone. The Company adheres to the strategy of providing consistent high-quality products and professional services and has built the brand awareness of "Guorui" in the market.

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