

[For Immediate Release]



## CIFI Group Announces 2020 Annual Results

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**Total profit grew by 28.7% to RMB11.9 billion exceeding RMB10 billion for the first time**

**Core net profit to equity owners of the Company increased by 16.3%  
to a new record high of RMB8.03 billion**

**Dividend growing continuously since IPO and  
final dividend of 29 HK cents per share in 2020**

**Contracted sales target of RMB265.0 billion in 2021**

### Results Highlights:

#### **Revenue and net profit hit a record high with dividend growing continuously since IPO**

- Recognised revenue increased by 27.2% to RMB71.8 billion.
- Core net profit to equity owners of the Company increased by 16.3% to RMB8.03 billion.
- Adjusted gross profit margin and core net profit margin stood at 25.1% and 11.2% respectively.
- Core return on average equity was 24.2%, maintaining the industry's leading level.
- Proposed final dividend of RMB24.3 cents (equivalent to 29 HK cents) per share, an increase of 10.8%. Total dividends for the year amounted to RMB34.1 cents (equivalent to 40 HK cents) per share with a year-on-year growth of 5.3%.
- Achieved sustainable earnings growth since IPO, with accumulated dividends of HK\$1.84 per share.

#### **Sales reached a new height with abundant quality land bank**

- Completed the Group's full year contracted sales target in 2020. The Group achieved contracted sales and contracted gross floor area of RMB231.0 billion and 15,385,000 sq.m. in 2020, representing a growth of 15.2% and 27.8% respectively. Contracted average selling price was approximately RMB15,000 per sq.m.
- Achieved a cash collection ratio of over 90% from contracted sales, maintaining the industry's leading level.
- Pressed ahead with the goal of "achieving RMB10B sales in each city". A total of 18 cities ranked top 10 in local markets sales.
- The new land bank acquired through diversified channels accounted for 51% of the total new land bank. Acquired 12 commercial complexes since 2020.
- Contracted sales target of RMB265.0 billion in 2021.

### **Stable and healthy debt structure with high risk resistance**

- Abundant cash on hand, reaching RMB 51.15 billion.
- As at 31 December 2020, net debt-to-equity ratio and weighted average cost of indebtedness improved to 64.0% and 5.4% respectively.

### **Recognized by international and onshore credit rating agencies**

- Moody's and Lianhe Global upgraded the Company's credit ratings outlook to "Ba2" (with "Stable" outlook) and "BBB-" (with "Stable" outlook) respectively.
- Standard & Poor's and Fitch reiterated the Company's credit rating to be "BB" (with "Stable" outlook).
- CCFI and Lianhe Credit Rating assigned "AAA" (with "Stable" outlook) onshore credit ratings to the Company and CIFI PRC.

### **Promote low carbon practise and maintain strong competitiveness**

- All residential products under CIFI have obtained the Green Building Design Label of one-star or above. During the year, 25 CIFI projects received a Two-star Green Building Label.
- CIFI's green bonds have been included in Sustainable and Green Exchange (STAGE) which is newly launched by the Stock Exchange of Hong Kong ("HKEx"). CIFI is the only real estate company in China to be listed on STAGE among 13 companies in the first batch.
- Teamed up with Alibaba (HKEx stock code: 9988) to launch HUMAN Smart Healthy Living 2.0 Operating System and received the CIOC innovation award in 2020.

### **Strongly committed to sustainable development and corporate social responsibility**

- Published the first standalone Environmental, Social and Governance (ESG) report and enhanced the disclosure of the enterprise's ESG management to a new level, in response to the amended reporting guide of the HKEx.
- First announced the offshore green finance framework, and successfully issued the first offshore green bonds in the same month, representing the Group's first step towards the green financing practice.
- CIFI Charity Foundation donated RMB20 million to establish a dedicated fund fighting against the COVID-19 pandemic, which provided medical supplies and subsidized medical personnel arriving at Wuhan from Shanghai.

### **Received various national and international honours and recognition; CIFI's market position in the industry has been further enhanced**

- CIFI was the top 14 of "Top 20 China Real Estate Developers 2020" and "Top 10 Stable China Real Estate Developers 2020" awarded by China Real Estate Association.
- CIFI was selected in "Hang Seng China (Hong Kong-listed) 100 Index" and "Hang Seng Large-Mid Cap Value Tilt Index", and was the only private real estate developer in the "Hang Seng Corporate Sustainability Index".
- CIFI was awarded the "2020 Best Managed Companies (BMC)" by Deloitte and Harvard Business Review and became one of the only two real estate enterprises among the awarded enterprises.
- CIFI was awarded the "Institutional Investor Magazine – All-Asia Executive Team 2020".

### Financial Summary:

	For the year ended 31 December		Growth
	2020	2019	
<b>Contracted sales</b>			
Contracted sales (RMB' billion)	<b>231.0</b>	200.6	+15.2%
Contracted GFA (sq.m.)	<b>15,385,100</b>	12,035,500	+27.8%
<b>Key financial performance (RMB'million)</b>			
Recognized revenue	<b>71,799</b>	56,451	+27.2%
Gross profit	<b>15,609</b>	14,116	+10.6%
Profit for the year attributable to equity owners	<b>8,032</b>	6,443	+24.7%
Core net profit attributable to equity owners	<b>8,026</b>	6,903	+16.3%
Core basic earnings per share, RMB cents	<b>100</b>	89	+12.4%
Proposed final dividend per share, RMB cents	<b>24.30</b>	21.93	+10.8%
	<b>As at 31 Dec 2020</b>	<b>As at 31 Dec 2019</b>	
<b>Selected balance sheet data (RMB'million)</b>			
Total assets	<b>379,299</b>	324,855	+16.8%
Total indebtedness	<b>104,715</b>	103,699	+1.0%
Total equity	<b>83,642</b>	68,197	+22.6%
Equity attributable to equity owners	<b>36,052</b>	30,199	+19.4%
Net debt-to-equity ratio	<b>64.0%</b>	65.6%	-1.6 p.p.
Weighted average cost of indebtedness	<b>5.4%</b>	6.0%	-0.6 p.p.
<b>Land bank (GFA, million sq.m.)</b>			
- Total	<b>56.5</b>	50.7	+11.4%
- Attributable	<b>30.8</b>	26.5	+16.2%

(25 March 2021 – Hong Kong) **CIFI Holdings (Group) Co. Ltd** (“CIFI” or the “Group”, HKEx stock code: 884), a leading real estate developer engaged in property development and investment business mainly in the first-, second- and quasi-second-tier cities in China, is pleased to announce its annual results for the year ended 31 December 2020.

The Group expects a steady development of China’s real estate market in 2021 that new construction remains at a high level, sales in first- and second-tier cities continue to be driven by consumption upgrades, and sales are expected to hit record high. In terms of land market, due to the tightening of financing channels for real estate developers and the concentration of land supply in 22 cities in phases, reasonable resource allocation and profitability considerations will pose greater challenges to operation capacity. Developers will be more prudent in land acquisition, and

transaction will become more rational. Industry consolidation will accelerate, resulting in increasing concentration.

The Group has penetrated into the Yangtze River Delta region. In the early years, it focused on all core cities in the Shanghai-Rim Metropolis with Shanghai as the centre, while putting emphasis on the Pan Bohai Rim Region and Shandong Province. In recent years, more efforts have been made to cover the core cities around the Greater Bay Area metropolis, and the Chengdu-Chongqing real estate market has been further developed. It is believed that the national layout will enable the Group to obtain benefits during the process of this round of urbanization.

In 2021, the Group's contracted sales target is RMB265 billion, and it has sufficient saleable resources to support the completion of the full-year contracted sales target. Currently, the Group has covered 89 cities across the country and established presence in 7 regions. Diversified land bank and premium project reserves have laid a solid foundation for the growth of the Group's contracted sales.

**Mr. Lin Zhong, Chairman and Executive Director of the Group** said, "We believe that the central government's advocacy of the real estate policy tone that "houses are built to be inhabited, not for speculation", "renting and acquiring at the same time" and "differentiated policies for different cities" will remain unchanged. We expect the various restrictive policies to continue in the near future. The Group will uphold the long-term development strategy, persistently improve the corporate operation efficiency, continue to enhance its brand advantages and put emphasis on product innovation, follow the principle of prudent management of finance, and build up the strengths to defend the market volatility. Meanwhile, the Group puts great significance on promoting its management standard on environmental protection, social responsibility and corporate governance, which will be uplifted to the level of the Group's strategic planning. We pledge full commitment to forging CIFI as one of the Fortune Global 500 with outstanding results, persistent performance of social responsibility and excellent corporate governance, and create encouraging returns for shareholders."

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**About CIFI (Group):**

Headquartered in Shanghai, CIFI is one of China's top real estate developers. CIFI principally focuses on developing high-quality properties in first-, second-, and quasi-second-tier cities in China. CIFI develops various types of properties, including residential, office and commercial complexes.

To learn more about the Company, please visit CIFI's website at: <http://www.cifi.com.cn>

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